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Vol. I, No. 1

July 17, 1934

THE UNEMPLOYMENT RELIEF DIGEST

A semi-monthly bulletin presenting in compact form the substance of recently published material concerning unemployment and the administration of relief.

State Emergency Relief Board

Department of Research and Statistics

Harrisburg, Pa.

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LABOR PROBLEMS

"No Strikes, No Lockouts" - Sinclair Oil - A F. of L. Agreement
Factory Management and Maintenance. Vol. 92 No. 7. July 1934. 2000words.
Full text of Agreement and a Statement by President H. F. Sinclair.

The articles of agreement, dated June 1, 1934, cover a period of one year and provide for collective bargaining of the employees of the various subsidiary companies who are members of the International Association of Oil Well, Gas Well and Refinery Workers of America. It is agreed that there shall be no cessation of work through strikes or lockouts during the term of agreement. About one-half of the employees of a total of 15,000 are members of the International Association. The remaining employees will be dealt with by the company on any basis of representation that they choose to set up. Non-union employees will have the same privileges and restrictions under which the union employees work. It is not a closed shop agreement. It is an agreement giving a clearly defined procedure to be followed for the settlement of wage and other controversies, localized or general.

H. G. M.

"What Congress Did for Labor" - Edwin E. White
The New Republic. July 11, 1934.

The Railway Pension Bill and the Crosser Dill Bill revising the Railway Labor Act of 1926 were outstanding accomplishments of the last session. Company unions, with a few exceptions, have been abandoned by the Railroads. The Labor Boards, authorized by a joint resolution, are given power to ascertain the wishes of employees with regard to representation in collective bargaining. Higher courts have rendered decisions stating that closed-shop agreements are still valid and the right to strike is not impaired.

The author points out that if Union membership continues to increase, and if needless and premature strikes are avoided, labor leaders may have a chance to elect to Congress representatives who will favor the labor cause. If young labor leaders gain the upper hand in the Unions, then radical action may be expected with possibly great detriment to the cause of Labor. In either event, company-dominated unions are doomed.

A.S.H.

"Labor, the Storm Cloud on the Business Horizon"
Review of Reviews. Vol. 90, July 1934. pp. 19-21; 56-58.

The editors contend: 281872

1. Organized labor presents the greatest threat to recovery, despite the Wagner Labor Disputes Bill which legalizes the closed shop and outlaws employers' encouragement of company unions. The deliberate misinterpretation of Section 7a of the National Industrial Recovery Act has resulted in many strikes and 2,655 disputes appealed to the National Labor Board. This clause states:

> ".....employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection."

2. Organized labor appears able to see but one side. If an employer, as in the Weirton case, persuades his workers to remain out of the union or to join the company unions, they interpret such action as entirely illegal. Moreover, they insist that all employees must join the union and that employers must promote according to seniority regardless of the quality or quantity of work produced.

However, labor has recently received two severe setbacks. First came the President's settlement of the auto issue, favoring the principles of proportional representation. Then the Weirton decision, permitting an employer to deal with a company union.

Nevertheless, organized labor still seems determined to resort to the strike instead of arbitration, regardless of statutary limitations.

A. G. K.

"Labor Draws its Sword" - Jo. H. Chamberlin
Review of Reviews, Vol. 90, July 1934. pp. 30-34.

Three out of every four of the strikes in recent months have been over recognition of the unions, involving interpretation of Section 7a of the National Industrial Recovery Act.

The issues that are being fought over today are far from simple. In Toledo, the strike at the Electric Auto-Lite plant was for a wage increase, shorter hours, and union recognition. They gained most of their demands. The Minneapolis truck drivers gained verbal recognition of the union without settlement of other issues. The longshoremen of San Francisco, New York, and Galveston demand union recognition, a dollar an hour, a thirty-hour week, and a closed shop.

The Recovery Administration desires collective bargaining on the part of workers, but favors no one union, whether independent, company, or affiliate of the A. F. of L.

A. G. K.

"Labor and Steel" - Horace B. Davis
International Publishers, New York. 304 pp. $2.

This volume is an addition to the Labor and Industry Series of the Labor Research Association. It is the result of a five year study of Labor in American Steel Mills, most of the data being obtained by the author while working in the mills. There is an abundance of statistical data on the number, age and race of steel workers; accidents, and occupational diseases; the effect of part time employment and unemployment on the workers in the industry. There is a graphic picture of company towns and a description of company activities for their employees in the form of company unions and company provision for employee education, recreation and welfare. The company spy system and its effect on labor and also a history of unionism in the industry is given a prominent place in the book. The organization and history of the steel trust and its attitude toward labor is dwelt upon at considerable length.

H. G. M.

EMPLOYMENT

"How Long Will My Job Last?" - Philip K. Wrigley
Factory Management and Maintenance. Vol. 92, No. 6. June 1934, 600 words.

A survey of the employees of the Wm. Wrigley Jr. Company revealed that they were not as much interested in their future earnings per week or their working conditions as they were in how long their jobs were going to last. As a result of this survey, a plan was evolved to provide lay-off pay for their steady employees in the form of a contract in the same manner as the company commits itself for materials and advertising. The plan has been set up in the form of Employment Assurance not Employment Insurance. Any steady employee who has been employed for 6 months or more receives a contract at an agreed-upon wage for one year. If for any cause lay-offs should be necessary, the company may lay him off but if it does, it agrees to pay the employee a percentage of his best base pay for a given period of time. The percentage and period of time are on a sliding scale, those receiving the lowest pay are given the highest percentage. The number of weeks that this pay will continue depends on the length of service. This contract applies to any lay-off period, including part-time. It assures the employee of a definite income for a definite period of time as a backlog in the same manner as the surplus is a backlog for the stock holder. A sum of one million dollars has been set aside by the company for lay-off pay. While the employee is receiving lay-off pay from the company he must not accept relief or compensation from any other source. This should relieve the welfare and relief rolls and preclude the employee working for another company for less than standard pay. The plan is intended to relieve the employees from worry as to their jobs and show them that the company is co-operating to meet the present situation.

H. G. M.

"Is Britain Recovering?" - Bruce Bliven
The New Republic. July 11, 1934.

Having found that English students of economics are not enthusiastic about the alleged return of prosperity in England, whereas they are keenly interested in the New Deal efforts of America, Mr. Bliven presents a summary of the present situation in England, and a comparison of the recovery achievements of the two countries.

England's unemployment load has been steadily decreasing since 1933 and is now about 2,000,000; a figure having the relative significance of 6,000,000 in this country. The wholesale index has remained steady since 1931, wage rates having leveled off and declined only about 5% in the last nine years. Building is now 60% above the 1924 level. The general index of business activity is back to the 1929 level which was 110% of the 1924 level. Coal mining has not recovered beyond 60% of normal; one-third of the miners are still idle. Unemployment in ship-building is still only 50% absorbed; in steel and pig iron, only 70%; in the cotton-textile trade, only 80%.

The building industry was helped by reduction of long-term interest rates. The Government has abandoned the large plans of ten years ago for housing the poor. Some individual cities, however, are continuing the civic plans for housing.

The author points out that in America one of the chief causes of the depression was the disparity between agricultural prices and industrial prices. Social legislation in England made the depression easier to bear for wholesalers and retailers.

The position of the working man here has hardly altered during the entire period since the World War. England, however, is far ahead of the United States in Labor legislation. "There is not," the author says, "a single important British industrialist who would dream of holding the troglodytic labor view of an American steel king." The British, although taxed more heavily, are now making a profit on most of their productive activities.

A. S. H.

"Youth Cries Out for a Salvaging Hand" - Eunice Fuller Barnard
The New York Times Magazine, July 1, 1934. (Considering the past five years as a unit.) 3000 words

Some six or seven million young people throughout the country, ranging in age from sixteen to twenty-five, having left school, have no jobs and are not preparing for any. Whereas in previous depressions, youth has been served at the expense of the older generation because of willingness to accept bargain wages, we now quite properly attempt, through the N.R.A., to protect the experienced worker and family man against youth's competition. The result is that youth is deprived of the opportunity to start even at the bottom. Some roam the country futilely, as transient camps bear witness. A portion lead anti-social lives, as is demonstrated by the 9% increase within this age group in state and federal prisons in a single year. Others are forced into occupations badly suited to their abilities. On the whole, opportunities are closed alike to those of education, brawn, and technical training. The C.C.C. is a partial answer, successful because they give the boys a real job with social benefits of which they can be proud, without offering competition to existing industry, agriculture, or business; however, the camps provide no permanent solution. Other remedies are under consideration: There may be an apprenticeship evolved as a permissive plan under the N.R.A. allowing employers to hire boys and girls over sixteen at wages averaging half the basic rates, providing they give them approved training with at least 100 hours of class instruction. Another proposal is to add two years of technical courses to high school programs, to include part-time remunerative work along with instruction.

G. R. W.

WELFARE

"Social Work is Futile" - Maria Rogers and Edward J. Fitzgerald
American Mercury. July, 1934.

The authors contend that Social Work represents "a tremendous waste of money and effort because its resources are not used to the highest potentiality of social efficiency." The reasons for this waste are to be found chiefly in the motives of the persons whose contributions make welfare work possible and in the temperamental peculiarities of social workers themselves. The complaint is that the wealthy industrialists are not really interested in social reform but in prestige and the personal satisfaction that comes with charity. Worse than that charity is frequently used to cloak economic exploitation. There is another factor that makes

it difficult to remedy the situation even if disinterested support could be guaranteed. Social Work itself is not a science but -

> ".....a confused mélange of medieval catholicism and Nineteenth Century Liberalism."

No way out is pointed but the implication is that something more fundamental than welfare work must be changed if the problem of poverty is to be attacked intelligently.

W. E. O. Jr.

"A Subsistence Community in Operation" - Marion Grubb
The Baltimore Sun Magazine. July 8, 1934. 1400 words.

A successful antecedent of the communities who are to learn, at the government's expense, to be self-sustaining is furnished by a private enterprise, the Shenandoah Community, operating in the mountains of Virginia since 1927. The land was not fit for agriculture. Timber was plentiful, but unfitted for the accustomed uses of industry, being "bull pine" full of knots. Nor did shipping facilities encourage the manufacture of large items. But from designs and instruction furnished by several capable and distinguished artists, they learned to make wooden toys, then jig-saw puzzles. Their industry flourished so that it became necessary to introduce scientific methods of reforestation to save the local supply of timber from exhaustion. Now that they have their own post office ("Bird Haven") which reduces their shipping problems, they have learned to make bird houses, napkin rings, book ends. Samuel Yellin, whose iron work appears on the Harkness Memorial at Yale, the Carillon Tower at Mountain Lake, Florida, and the National Cathedral at Washington, spent a week there, instructing the mountaineers who now turn out excellent andirons, fire tongs, sign supports, and lantern holders. Everard Lindstrom, Swiss woodworker, taught them to copy the highboys, old chests, tables, and chairs brought into the mountains by their own ancestors. They have become so adept that a mere photograph is sufficient guidance for a perfect reproduction. The women make jellies, jams, and candies from nuts and berries; weave rugs and carpets from vine tendrils and grasses. This entire community is on the estate of W. B. Clark who inherited the territory and responsibility for its inhabitants.

G. R. W.

"A Lesson in National Self Respect" - Charles H. Melish
Forum. Vol. 92. July 1934. pp. 24-26.

The most successful of the social insurance plans operative in twenty-four European countries is the British plan. It has expanded since its initiation in 1911 until it now provides health and unemployment insurance for nearly all wage earners (except domestic servants, agriculture laborers, and white collar workers), between the ages of 16 and 65, whose annual earned incomes do not exceed $1,217.

For health insurance, widows', orphans', and old age pensions, a weekly contribution of not more than 18¢ is shared equally by employer and employee, with the national government adding a relatively small contribution. Sick benefits are paid for a maximum of 26 weeks at the weekly rate of $3.65 for men and $2.92 for women. Old age and widows' pensions are paid at the rate of $2.43 a week.

For the Unemployment Insurance Fund, the weekly contribution for an adult male amounts to about 60¢, shared equally among worker, employer, and the national government. Women and young people pay a smaller contribution and receive proportionately less benefit. The standard bene-

fit of $3.71 per week in the cases of adult males is paid for 26 weeks, providing 30 contributions have been paid to the Fund in the preceding two years. For each adult dependent, unemployed insured receive $1.95 a week additional, and for dependent children 48¢. This insurance scheme is administered by the Ministry of Labor operating through a national system of labor exchanges.

The experience of the British warns us to administer insurance and relief as separate functions if confusion is to be avoided; also to exclude persons under 21, since the British scheme has encouraged habits of idleness among youth.

A. G. K.

"Pennsylvania and Unemployment Relief 1929-1934" - Arthur Dunham (Written April 1934). Reprinted from The Social Service Review, Vol. VIII, No. 2, June 1934, for the Public Charities Association of Pennsylvania, 311 South Juniper Street, Philadelphia, and 519 Smithfield Street, Pittsburgh. 42 pp. VI Tables. Price: free.

This is a brief chronological review of the development of Pennsylvania's program of unemployment relief and a summary of its present strengths and problems. STRENGTHS: (1) Co-ordination of state and federal relief; (2) Flexibility, permitting the use of existing agencies or the creation of new ones. The S.E.R.B. is thus enabled to meet new situations and needs without the necessity of legislation; (3) Citizen participation; (4) Qualified paid personnel with able leadership; (5) Minimum standards of relief administration formulated and progress made in attaining same; (6) Efficient business administration. PROBLEMS: (1) Relief program must be separated from politics. Administrators should be outstanding citizens, selected on the basis of ability, not necessarily ex officio officials. Appropriations for relief should not be dependent upon political feuds and partisan considerations. (2) More integrated system needed to improve relief distribution by replacing the system of issuing separate food, fuel , clothing, etc. "orders" with a method which will consider the total needs of the family and their budgetary deficiency as a whole. (3) The item of shelter, certainly a basic human necessity, should be included in family relief budgets. This responsibility has been relegated almost entirely to local agencies, and where such were inadequate, suffering has resulted regardless of relief funds available in that locality. (4) Cash relief is proposed as the remedy for the two preceding problems on the assumption that it is less undesirable than relief in kind and does something to preserve self-respect, initiative, and a sense of human freedom. (5) Adequate expenditures for administration, it having already been demonstrated that increased personnel results in more humane handling and final saving rather than increase of expense. (6) Development of a long-time integrated public relief program, and an adequate financial program to support it.

G. R. W.

AGRICULTURE

"The Secretary of Agriculture Takes the Stand" - Questions by Henry F. Pringle
Answers by Henry A. Wallace
The American Magazine, July 1934. 2500 words.

Mr. Wallace attributes the undermining of national prosperity to the neglect of national administrators, who, from the war until March 1933, disregarded the way in which foreign markets for our surplus farm products had been destroyed. Agriculture suffered a consequent weakening of buying power. The lowering of tariffs and resultant increase of

foreign trade would permit the amount of acreage withdrawn from production to be reduced. The only alternative to thus opening foreign markets is the permanent retirement of 40,000,000 to 60,000,000 acres of crop land. That farmers oppose low tariffs is an outmoded delusion, left over from Civil War days, kept alive and pandered by politicians. Reports show that gross income of farmers in 1933 exceeded that of 1932 by 24%. Other reports indicate that this additional income is being expended on taxes, back bills, clothing, groceries, and farm equipment.

G. R. W.

"Spare That Desert!" - Owen P. White
Colliers Weekly, June 16, 1934.

A slightly satirical article showing that the Land Reclamation Plan and the Land Retirement Plan are working in opposition to each other, rather than in conjunction as they were intended to do.

A. E.

EXCERPTS FROM THE NEWS

The establishment of small shops to employ people on relief rolls to produce things needed by those on relief is an experiment about to be initiated in the District of Columbia. If successful, it will be extended to other localities. First, there will be a sewing shop in which clothing will be made for relief distribution and where old clothes will be put into wearable condition. An extension of the plan includes the buying or leasing of farms to which some relief recipients may be transferred. Food raised there will be sent to the cannery, under the same auspices. A furniture factory is also planned. The workers are to be paid in scrip, redeemable at a central commissary through which the output of the shops is to be cleared. None of the articles is to be put on the market in competition with the products of private industry. A corporation will be formed to manage the project. It will receive $50,000 from the Federal Emergency Relief Administration.

(New York Times, July 15, 1934)

State agencies are selecting 100,000 young men for the C.C.C. camps. When completed, this enrollment will bring the C.C.C. total up to approximately 320,000 men. These young men are not only removed from the unemployment rolls but are given valuable educational and physical training.

(-United States News Vol. 2; No. 25 June 25, 1934)

The Summer Institute for Social Progress convened July 9th at Sarah Lawrence College, Bronxville, N. Y., a progressive institution attended mainly by society girls. From twenty-four states and Canada come the 130 men and women, including three Washington economists, who will discuss for two weeks "The Role of Government in Our Economic Life," considering principally the clash and balancing of interests in the field of business, banking and investment, labor and technology, agriculture and natural resources, from the viewpoint of the consumer.

(-New York Times, July 10, 1934)

Artificially stimulated public works according to past experience do not seem to be an adequate solution to the problem of unemployment in the construction industry. Despite optimistic estimates for 1934, recent experience can not lead us to count on expenditure of public funds to bring about complete recovery any more than the water used to prime the pump can take the place of the water in the well. There can be no question that unless recovery takes place within a short time, America is faced with a problem of permanent unemployment. Such a problem can only be solved by the migration or transference of several million families back to the land. That is where they came from and that is the only place where they can again become self-supporting. Once a proper economic balance is restored, once we start the wheels of progress moving again, once we start supplying again the wants and needs of the American people, there should be work enough to keep every one busy.

(Lewis H. Brown, Member of Durable Goods Committee, in address before New York Building Congress, June 20th. United States News Vol. 2; No. 26, June 25, 1934)

That the churches of New York City should appropriate $2,500,000 a year toward relief, representing a cost per church member of two cents per week, was proposed by Dr. Charles Stelzle, former relief director. In support of his suggestion he pointed out that if church property were not exempt from taxation, it would yield the city $10,000,000 yearly in taxes.

(-New York Times, July 11, 1934)

Recently the University of Denver conducted a survey using Denver High School graduates to determine the absorption of high school graduates into business, industry, and other occupations during the period from 1929 to 1933. Results: (1) A marked increase in the number of students who graduated from high school in recent years. (2) Those who found employment decreased in number. (3) Those entering college were less in number. (4) The number taking post graduate work in high school and the number taking short courses in business and vocational schools increased substantially. (5) High school graduates who obtained employment in 1933 were compelled to accept less skilled occupations. The girl graduates took more domestic help positions. In 1929 those entering service or domestic positions was 1.8%; in 1933 it was 18.2%. Typing and stenography claimed 12.7% of the graduates in 1929 but only 3.1% in 1933. Work for regular skilled typists was 15.9% in 1929 and reduced to 8.2% in 1933. Nevertheless the demand for skilled bookkeepers doubled in the same period.

(-United States News, Vol.2, No. 28 July 9, 1934)

How long will it be before the population of the United States becomes stationary or begins to decrease?
On July 5, 1934, the Bureau of Census released a publication which shows that the birth rate for 1933 in the United States was the lowest on record, since the Federal Dept. of Vital Statistics was set up in 1915. In 1933 there were 2,064,944 births, or 16.4 births per thousand of inhabitants. The rate for 1932 was 17.4 which means a decrease of 6% for 1933. The highest birth rates are recorded in rural states and in the south. Oregon and California have the lowest birth rate, presumably because more elderly people are attracted to these states for health reasons.

(-United States News Vol 2, No. 28 July 9, 1934)

An executive order signed by President Roosevelt on July 3rd created the National Resources Board, which is charged with studying and planning for the better utilization of the land, water and other national resources of the country. The problem before the Board:- millions of farm families are now attempting unsuccessfully to wrest a living from the worn out eroded soil. Projected solution:- for the land, a return to forest and to use as grazing areas; for the families, a removal to better land where their efforts will bring a better living and more economic security.

(-United States News Vol 2, No. 28 July 9,193

Wisconsin embarked on a new venture that is being watched throughout the country. On July 1, it made effective, on a compulsory basis, the first unemployment insurance plan to be passed and put into effect in the United States. The benefit payments for total unemployment are at the rate of 50% of the worker's full time weekly wage, with a maximum of $10. and a minimum of $5., and payment will not be made to the worker for more than 10 weeks in any one year. Contributions to the fund are made by the employers only. Each employer pays in 2% of his payroll until a fund of $55. per worker has been established; thereafter, he pays only 1% until the fund amounts to $75. per worker. No contributions are made after that unless the reserve falls below this amount.

Those exempt are employers of farm hands, domestic servants, teachers, railway workers engaged in interstate transportation, loggers and anyone connected with governmental projects.

Employers may contribute according to either of two plans: (1) guarantee for a one-year period at least 42 weeks of work and wages. Under this plan the employer need not set up an unemployment fund. (2) In the second plan, the employer contributes to a fund at the rate of 2% of his payroll. In order to receive benefits, an employee must be capable of and available for work if called. After an unemployment period of two weeks, an employee may receive the benefits of the fund. In cases where the employee has worked for more than one employer in a period of twelve months, the last employer must pay the benefits until he shall have met or is unable to meet the benefit liability to the employee. After that, the duty will devolve upon the next preceding employer.

(New York Times, July 8)

ANNOUNCEMENTS OF NEW BOOKS

"Youth Rebuilds" - Ovid Butler - (Stories from the C.C.C.)
Illustrated. 189 pp. The American Forestry Association, Washington, D.C. $2.

The men in the camps tell, in their own words, what this opportunity has meant to them personally. An appendix sums up the material accomplishments throughout the country.

"Boy and Girl Tramps of America" - Thomas Minehan
Illustrated. 267 pp. Farrar & Rinehart, New York. $2.50

A young professor of sociology collected this material by disguising himself as a hobo. The results are here given in case histories, scraps of conversation, and samples of the opinions, ideas and beliefs which these transients expressed, supplemented by the author's conclusions.

"Twelve Years in a Reformatory" - Rev. Francis J. Lane
Preface by Frank L. Christian. Frontispiece. 166 pp.
The Elmira Reformatory, Elmira, N. Y. $1.75

A Catholic chaplain tells of the cases he has dealt with and followed up. He explains his methods, includes letters from subjects and their relatives, and gives examples of subsequent successes and failures among his charges.

"Rural Homes" - Mrs. Franklin D. Roosevelt
Woman's Home Companion. August 1934.

A one-page letter telling in outline the developments and needs of the Rural Districts of the United States.

Vol. I, No. 2 August 3, 1934

THE UNEMPLOYMENT RELIEF DIGEST

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State Emergency Relief Board

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"United We Eat" - John S. Gambs
Survey Graphic. Vol. 23, No. 8. August, 1934. 4000 words.

There are probably 100,000 persons belonging to unemployed leagues in the United States. The movement began in the Fall of 1931 as a protest against the inadequate relief measures which at that time were being carried on by private and local community agencies. At first, this movement took the form of barter of services and goods, seeking to bring relief to the destitute without the aid of Local or Federal Government. Scrip was issued and economic ventures undertaken. Then it was discovered that such methods were limited in scope, and the leagues began to exert pressure on public officials. By the summer of 1933, the leagues had fallen under the leadership of three left-wing groups: - Communists, Socialists, and the American Workers' Party. But not all members have one of these party affiliations, for some of the leagues are technocratic in bias, and others anarchistic.

When barter leagues proved inadequate, they were followed by hunger marches and demonstrations during the period before the Federal Government took a hand in relief work. The next step of the leagues, after Federal Relief had been inaugurated, was direct dealing with local relief agencies. Where relief was inadequate, the county relief board or district supervisor was blamed, and complaints, demonstrations, riots, and abuse sometimes followed.

The unemployment leagues make varied demands, including: greater promptness in rendering various forms of relief; briefer waiting-room periods; less humiliating methods of "case-work" investigation; abolition of the "pauper's oath"; sympathetic and better trained social workers; better opportunities to present complaints to relief headquarters; improvement of relief among negroes, without discrimination; food orders that may be filled in neighborhood stores; cash relief; payment of rents, and guarantee of no more evictions.

Recently the leagues have shown a tendency to assist labor unions in strikes by preventing members and other unemployed from taking jobs as strike breakers. They have also acted as strike pickets.

Some of the leagues serve their members by turning on the gas, water and electricity when it has been turned off by the companies. They also provide convincing work references, and produce forged rent receipts to present to prospective landlords.

Ten million unemployed are candidates for membership in the league. If only half that number should join, the organization would rival the A. F. of L. and be the largest proletariat organization in the country. The author thinks such a growth very remote because of internal dissension. Besides, as any union movement grows in numbers, it swings to the right or away from militancy and radicalism.

If relief policies improve and unemployment insurance, housing provisions, and old age pensions come into force, the unemployment leagues will decline. Also, an enlarged public works program, or returning prosperity, would result in their further disorganization. In the interval, they are serving a useful purpose in social welfare and have undoubtedly influenced some of the policies of relief administration.

H. G. M.

281872

"Whither Self-Help?" - Paul S. Taylor and Clark Kerr
Survey Graphic. July, 1934.

The authors discuss the position in the social and economic life of California of the Self-Help and Barter Associations since the advent of the N.R.A., F.E.R.A., C.W.A., etc.

Five tendencies of the co-operative movement as evidenced in Southern California are listed, viz:

"1. The development of democratically organized and operated co-operatives endeavoring to produce as well as to exchange.

"2. The development of a militant, semi-radical movement, somewhat confused by cross-currents of state and local politics, built upon loosely federated units of diverse types.

"3. The development of an American Nazi-ism, with members of the cooperatives serving as potential storm troopers.

"4. The drawing of an issue between cooperatives and established social agencies as channels for distribution of relief to able-bodied unemployed.

"5. The appearance of cooperative buying in various forms, ranging from centralized purchasing of staples with government funds to pooling of pay from C.W.A., intermittent, or even steady jobs, to buy milk, bread and staples."

The individual cooperatives gradually merged into a central organization and by skillful management became a potential political ally of the local County and Federal Administrations.

Federal support was withdrawn when the leaders of the cooperative units sought and obtained the distribution of direct relief money instead of seeking aid for self-help productive enterprises. "The issue is slowly being drawn between relief and production, a political and an economic structure."

In Oakland the Unemployed Exchange Association represents a type of cooperative democratically organized and operated, striving toward basic production. "It has adhered with a high degree of consistency to three principles: (1) it declines donations, even at a cost of tightened belts; (2) it maintains an accounting system which credits each member with 100 points for each hour of labor, and records accurately the amounts owed to UXA by outsiders, and vice versa; (3) it makes no political demands upon city council or county supervisors, except that they do not obstruct. The UXA has received two federal grants: $5000, principally for transportation, and $7600 for a small sawmill. Both are carried on the books as loans upon which the organization genuinely hopes to make re-payments."

The bona fide self-help cooperative deserves attention as a practical means of effecting relief and employment if kept free from politics. Otherwise "leadership of the cooperatives is likely to pass increasingly from those who might produce to others who can demand more effectively."

A. S. H.

"The Permanently Unemployed" - Henry Carter
North American Review. August, 1934. 3000 words.

Mr. Carter finds that even though private industry recovers its 1929 peak there will still remain 6,500,000 unemployed. For one and a half to two million of these who are temporarily jobless, he suggests unemployment insurance; one and a half million more should be superannuated and receive old age pensions; assistance to subsistence farmers, public works, and public services should be provided for those remaining. The past year's experiment with C.W.A., C.C.C., etc., has been successful as a temporary alleviation, but it must be put on a permanent basis.

The cost of such a program, - five billion a year, - seems stupendous, but it is to be remembered that in normal times the cost of public works (Federal, State and Municipal) amounts to two billion dollars, and in 1929, a peak year in business, almost one billion was spent in private, local, State and Federal relief.

T. L. P.

"Social Insurance in Great Britain" - John Rawdon
Current History. July, 1934. 600 words.

The article deals with an amendment to the Social Insurance Acts 1920 to 1933, which passed third reading in the House of Commons and (1) promises to set the insurance fund on a firmer basis, and also (2) makes provision for reducing the outstanding debt.

Sir Henry Betterton, Minister of Labor, in debating on the bill, cited the chief effects as follows:

Restoration of cuts in benefits made in 1931; extension of maximum period of benefits from 26 to possibly 52 weeks; date of entry into insurance scheme advanced from 16½ to 16 years to cover school-leaving youth; solvency of fund assured by Government assuming considerable portion of repayment burden of debt; adoption of plan to include agricultural and other workers previously outside scheme.

Part II of the bill involves a complete reorganization of "poor law" provision for relief of those not included in insurance benefits.

C. F. K.

Unemployed Youth -- High School and College Graduates
Based on current news releases.

According to Dr. James N. Rule, Superintendent of Public Instruction, during June 1934, 70,000 boys and girls were graduated from high schools and about 12,000 from colleges in the state of Pennsylvania. Most of these will be added to the 200,000 unemployed persons in the State between the age of 18 and 21 years. He asserts that, since 1930, high school enrollments have increased approximately 40%, and graduates 55%, whereas 10% fewer Pennsylvania high school graduates are enrolling in colleges.

Federal, state, and local governments are highly concerned over the situation and are seeking to have each community organize educational, recreational, and work programs for these unemployed young people. To this end, the First American Youth Congress is to be held at New York University August 15, 16, and 17, and a State conference is planned for Pennsylvania in the fall.

It is interesting to note that the present obstacles prove to be an inspiration for new ideas to a very few of these graduates.

At the Stevens Institute of Technology in Hoboken, N. J., the graduating class conceived the idea of issuing a directory giving biography, scholastic standing, athletic accomplishments, class of work desired, chief interests, photograph, and other information about each class member. This publication is a forward step in developing a dignified means of advertising for positions, and is likely to prove useful to employers as well as beneficial to this year's graduates of one of the country's best schools of technology.

H. G. M.

"March of the P. W. A. Program May 18 - June 26"
Sphere. July, 1934. 1200 words.

A map at P.W.A. headquarters in Washington shows that the 16,000 work-creating projects are located in 3,043 of the 3,071 counties in the United States. 73% of the total $2,176,000,000. federal allotment for construction projects is being spent on projects that are in rapid process of completion. The balance, the greater part of which has already been spent, was transferred by executive or statutory action to the C.C.C., the C.W.A., the T.V.A., and other agencies.

It is estimated that 400,000 men are being directly employed by federal projects. Over $300,000,000. has been alloted for Drought Relief. In Nebraska alone, P.W.A. has made recent additional grants and loans amounting to $14,800,000. to be used on power development on the Loup and Platte rivers. Other projects deal with Road Construction, National Parks, Indian Reservations, Forest Service, Soil Erosion, and Subsistence Homesteads. These activities give employment to more than 50,000 men in the Western States alone.

A. E.

"Social Surveys to Date" - Kate Holladay Claghorn, Member of the Faculty of the New York School of Social Work.
The Survey. July, 1934. 2200 words.

The Bibliography of Social Surveys notes that a total of 2775 were conducted between 1909 and 1928. "As the survey movement grew, there is seen a greater and greater limitation of topic to special fields in a given area.....only 154 general social surveys are listed, while 625 deal with schools and education, 469 with health and sanitation, 296 are industrial, 155 are devoted to city and regional planning, 152 to delinquency and 112 to housing. This seems to indicate a desire for more intensive study of a field, and it is perhaps significant....that the concentration is greatest in fields in which standards have been best worked out."

Paul U. Kellogg is credited with having originated the comparison between a social survey and a physician's diagnosis. Both apply "to the problems at hand standards and experiences worked out elsewhere," i.e., the scientific method. "It seems quite clear that in medicine, treatment and research cannot be effectively carried on together---one would interfere with the other." Similarly, the social survey must ignore contemporary urging to undertake social treatment and scientific research simultaneously. "But just as the physician's diagnosis is not original research, while connecting itself with research, so the social survey, as a social diagnosis, may connect itself with research, to use its results, and even to contribute something of value to research in its turn."

"The survey, then, by its detailed description of conditions, adds materially to the stock of qualitative knowledge needed to direct the way toward the quantitative measurement which is the aim of science. ..

In this period of wide-spread and fundamental change, our communities are more than ever in need of diagnosis....The social doctor must write his prescriptions on the basis of such knowledge as is available, he must keep demanding more and more from the field of research, he must urge the taking of his prescriptions as a step in research as well as a means of cure."

G. R. W.

"Notes on the New Deal" - H. L. Mencken
Current History. August, 1934. pp 521-527.

The author comes to the defense of exponents of "laissez-faire" in a bitter attack on "planned economy," political practices, experimentation and the "Brain Trust."

He contends:

1. That planned economy is as old as history and not incompatible with the capitalistic system.

2. That the death or illness of capitalism has been greatly exaggerated for the purposes of attaining political advantage.

3. That New Deal experimentation is "Experiment in a dingy and unclean laboratory with cobwebs choking the microscopes and every test tube leaking. Such experiments are made by bulls in china shops and by small boys turned loose in apple orchards."

4. That the "Brain Trust" lacks practical experience and "sense" - that it has hindered rather than helped.

The author closes with the following comment on "The Brain Trust":

They have done well by themselves indeed--gloriously and gaudily well--at your expense and mine. As for the risk they take, they have nothing to lose but their "brains."

E. H. O.

"Government in Business" - Arthur E. Morgan
Atlantic Monthly. Vol. 154, No. 1. July, 1934. 3200 words.

The author sees three methods of approach to the problem of governmental activities in business. The first assumes that all governmental activities are essentially corrupt, incompetent, or both. The second view is that, since public utilities and public services are set up to meet the needs of the entire populace, they should be in government hands, and it is wrong for ny public service to be operated for profit. The third approach is the customary, pragmatic American course, that of adopting whatever line of action works best in each particular case.

Outstanding examples are cited naming cases in which various arrangements have been successful. Henry Ford, as a dictator of revolutionary economic and industrial policies, has been a popular hero because the public believes he has tried to give good value, pay good wages, and raise social standards. The attitude of public opinion would quickly change if it were found that he was no longer working in their interest. Universities offer both types of examples. Standards of scholarship and research are equally high in the best institutions regardless of whether they are private or state-controlled.

The public school system, fire and police protection, the highways, and post office services were nearly all subjects of considerable controversy before they were finally taken over by the government. In each case, the expediency of the move has been demonstrated.

The life of this nation is so varied and complicated that it cannot be forced into the straight-jacket of any one political theory. The American policy seems to be to use whatever method will best fit the changing conditions of the social order and promote public welfare.

Although the socialist decries capitalism and links it with corruption, his arguments for public ownership are not substantiated by example of the city government of Chicago or by Tammany Hall in New York. Nor, on the other hand, was the Insull regime a good argument for private control of utilities.

In fact, examples prove that neither public nor private business has been conducted with the honest and efficient standards which must be exercised by both government and business if the free institutions we have established are not to be swallowed up by corruption.

H. G. M.

"Masters of Make; The Failure of the Capitalists" - Lewis A. Riley
Forum. Vol. 92. No. 1 July 1934 pp 10-17 7000 words

"Masters of Use; The Hope of Consumers" - Lewis A. Riley
Forum. Vol. 92. No. 2 Aug. 1934 pp 73-77 5000 words

Capitalism's failure, according to the author, can be traced to an unsocial emphasis on production. Any economic scheme, if it is to be organically sound, must accept the production-consumption cycle as primary. "The Makers contribute only half our economic value, by consuming what is made. No economic stability or health is possible until the power of the users to consume is as soundly financed and as steady as is the makers power to produce."

At present the "Masters of Make" have security and power while the user-worker who is the co-creator of wealth has neither. To cure this deep-seated social disease a drastic revision of the current notions on the subject of property will be necessary for without this revision Western Civilization will only alternate between "prosperity fevers and depression chills" so that final collapse is inevitable. With the exception of a few personal satisfactions, clothing, homes, etc., modern private property is only "remote control over social tools", a delegation of authority to manage. Only a small fraction of the profit income in the United States is used by the maker-owner class for consumption. The remainder is now directed-or misdirected-back into production. Thus these managers of production have withdrawn money from the wage stream, basic purchasing power and have used it to increase a supply of goods which no one can buy. The whole process is viciously spiral. To cut labor costs and increase profits is the goal of every manager who would be successful. In other words, we have created a system of economic morality which makes individual success and social security mutually exclusive since only by expanding purchasing power can the increased productive equipment which profits build be used.

".....If this were a piece of Machiavellian exploitation by which the owners deliberately increased their security and happiness it would suggest a certain satanic vitality and purpose; but that our society

should perish of a blind and stupid greed which benefits no one, offers capitalism an exit so sordid and ludicrous as to mock our pompous stupidity."

What is necessary is an organization of the users which will check and balance the authority of the makers. As science increases productivity and lightens toil, the worker-user must reap the benefits. "Wages must be adjusted not to a dwindling total of toil but to a growing total of consumption." In other words, the worker must be paid more money for less work.

The author proceeds to outline a scheme that is basedon this fundamental idea of a "co-oppositional" partnership of Maker and User. There will be Use Warehouses and Distribution Systems, Use Laboratories and so on. He insists that any "totalitarian" system such as Communism or Socialism will be just as despotic and futile as the present one but by implication provides for a system of User supervision that once started must ultimately lead to either the socialization of the means of production or a sort of stalemate between the people organized as consumers and the people organized as producers.

W. E. O. Jr.

"The World as I Want It" - Paul U. Kellogg, Editor of the Survey-Graphic. Forum. Vol. 92. August, 1934. 800 words.

Mr. Kellogg would shape his world "as he wants it" on the following bases: (1) the stabilization of employment and sustained purchasing power; (2) the conservation and development of natural resources; (3) the setting up of a permanent organic structure for industry in which employer, workers, and consumer will participate alike; (4) the giving to workers of the right to organize and bargain through their own representatives; and (5) the establishment of a new governmental agency to take care of the consumers of the United States. He would apply the Acid Test not only to the New Deal but to the whole future. The Acid Test, formulated by some 200 members of the social professions, lies in the effect of "the actual distribution of the wealth which the machine age creates...This distribution of wealth comes down to work and earning power which must be increased and made secure if the economic forces on which modern life depends are to be planned and controlled."

A. G. K.

"Should the Codes Survive" - William A. Orton
Current History. August, 1934.

Unless Congress actively intervenes to save the N.R.A. it will come to its appointed end on June 16, 1935. There is some question as to the desire of retaining the code system, especially in its present form. Congress will do the public's bidding when the public decides. The administration's left wing has consistently used the codes as the first step towards a "planned economy" although the President's meaning of the latter phrase has never been determined. Last January the President himself spoke of recovery as meaning ".....a reform of many old methods, a permanent readjustment of many of our old ways of thinking and therefore of many of our social and economic arrangements."

In the industrial recovery program, notwithstanding the wording of the National Industrial Recovery Act, he felt ".....we have created a permanent feature of our modernized industrial structure."

Industrialists agree they are happy that cut-throat competition is a thing of the past and that dissenting minorities can be forced to bow to the will of the majority. But as to how far these industrialists are prepared to go with the administration's liberal left wing is anybody's guess. To obtain codes of fair practice and a uniform pricing policy based on cost of production instead of competitive market conditions, it was necessary to strike a bargain with the President who insisted on restriction of child labor, minimum wage scales, maximum hours and the recognition of labor's right to bargain collectively. "The price," as the author says, "was high but worth it." The code system offered an effective way of controlling and restraining competition. The codes have prescribed compulsory cost accounting systems. In most cases this has resulted in a raised price level. According to General Johnson, 60% of the codes approved before the third week in February contained "some form of price fixing or stabilization" although overt price fixing is rare. Thus, although we find that labor as a class has obtained certain concessions, the individual laborer suffers as a consumer. Furthermore, any future advances that labor makes under the codes depends upon the "enlightened self interest" of the industrialist, since the average code authority is composed mainly or entirely of representatives of trade associations plus from one to three non-voting nominees of the N.R.A. In addition to being trusted with labor's future, these enlightened industrialists must likewise substitute their collective judgment for the law of supply and demand. As the Darrow committee was quick to point out, this has frequently meant that the small producer has been robbed of his favorable competitive position and thereby practically eliminated.

Admittedly, if all classes of the population are to have a new deal, the government will have to exercise a closer supervision over industry than the codes provided. The administration will have to decide whether or not it wants a planned economy; if it does, it will have to do more; if it doesn't, it will have to withdraw entirely. The author raises a number of interesting questions regarding government supervision and concludes "that, apart from the basic material industries, Congress should not attempt to continue the code system beyond its expiry date insofar as it puts the force of law behind trade agreements, cost schemes, output restrictions, price-fixing devices and the like." These should be functions of the Federal Trade Commission.

W. E. O. Jr.

"Do Servants Need a Code?" A Symposium.
The Forum. July, 1934. 4000 words.

Opposite viewpoints are here presented in dialogue form. Those who wish a code suggest that it include a clear definition of duties, regular working hours with regular time off and vacations, overtime to be compensated for by extra time off, also a wage scale adjusted according to locality, and comfortable living conditions. Those who oppose a code contend that domestic service cannot be standardized sufficiently to formulate one. Many servants are better compensated by the friendly attitude which provides them with real home life than by a high scale

of wages. Some regard as hard work time spent in care of children; others find this their greatest pleasure. Both sides agree that there should be: (1) regularity of hours; (2) respect of servants' rights as human beings; (3) a blend of the personal within the business relationship between employer and employee.

The article is illustrated with several letters from domestics who are being imposed upon, and another letter which indicates the economic importance of the problem. The latter, from the New Jersey State Hairdressers' and Beauticians' Association, states that the progress of their business is largely dependent upon domestic employees. It is important to them that servants have time off at stated periods which coincide with the hours their code permits these shops to be open.

Although this occupation has the numerically largest group among all employed women, practically no labor legislation applies to domestic service except the minimum wage law in Wisconsin alone and the compensation law in New Jersey.

G. R. W.

"Capital and Labor under Fascism in Italy" - Charles Will Wright
Annals of the American Academy of Political and Social Science. Vol. 174. July, 1934. 2100 words.

In Italy capital and labor are now interlocked, with the State as arbitrator. Mussolini has launched new ideas, and they have been accepted. Since many of our economic problems are basically the same as those of Italy, it is interesting to note what the Fascist government has done to settle their labor problem. The important steps that have been taken are: (1) enactments which give labor a living wage and provide for the settlement of controversies through labor courts; (2) establishment of national confederations for labor and industry which unite all related industries and workmen in these industries into responsible organized groups: (3) decrees for obligatory understandings or cooperative associations which establish industrial self-government under Federal supervision; (4) regulations for government control of the establishment and enlargement of industrial plants; (5) control of prices of commodities through supply and demand.

A. G. K.

"Italy's New Economic Crisis" - William E. Lingelbach, Professor of European History, University of Pennsylvania.
Current History. July, 1934. 1500 words.

During May, Italy showed increasing evidence of economic distress. Her 1928 surplus of 555,000 lire has gradually turned to a deficit of about 550,000,000 lire. A great part of this is due to an extensive program of public works linked, as in the United States, to unemployment.

In May, wage reductions and "lay-offs" were prevalent throughout the country, due mainly to the fact that Italy cannot meet the prices of other countries. The Italian government, through committees, tries to fix and enforce low prices for rent, food and other commodities, and to encourage buying of native products.

The government also forbids foreign investments of any kind. There are tentative plans to improve conditions, but so far none have been found practical.

A. E.

"Labor's Fight for Power" - George E. Sokolsky
Atlantic Monthly. August, 1934. 4500 words.

The American Federation of Labor is the sole spokesman, under the N.R.A., for organized labor. It has obviously wronged itself continually by being a very stubborn unionization which continues to adhere doggedly to the policies of Samuel Gompers and his contemporaries who have allowed no change since its inception in 1886. Odd as it may seem, it has been proved to have been always a capitalist organization, rigid in the support of "rugged individualism," the union representing a mutual benefit society of craftsmen in a particular field of work, who unite for mutual betterment in the hope that before long each one may become a capitalist. Craft-unions, however, do not seem the adequate means of bettering the laborer and his class. On the other hand, there is the communist vertical union in which each and every individual in an industry is placed equally in the economic scale. One can readily see that this would not be a solution here, even though we generally have no difference in class or caste. A superior organization, in fact, a noticeably effective balance, is the company union which likewise belongs to individual industry, but wherein one is categoried in proportion to one's experience and knowledge and capability. As favorable evidence we might cite the Ford Motor Company, The Endicott-Johnson Shoe Company, The General Electric Company.

Now there is no doubt that the tactics and the policies of the American Federation of Labor are unnecessary and misplaced and yet they are tugging severely against capital for domination. Actually, labor fears the effects of mechanization and unemployment which imperil its standard of living, though capital fears the same causes since they tend to reduce the number of ready skilled workers thus destroying a very important element in the American market. So capital cannot afford to compromise and organized labor will not yield, basically on the question of a form of collective bargaining. Yet collective bargaining, the prime issue, was to mean only the recognition in an industry of the union and the union label.

The capitalist, who is not organized, is left in a position where he accepts the N.R.A. codes, wisely or otherwise, but where he can be perfectly indifferent on the point of accepting the American Federation of Labor as a partner in his business.

A. Q. P.

"Company Unions and A. F. of L." - Louis Adamic
The Nation. Vol. 139, No. 3602. July 18, 1934. pp 67-69. 2000 words.

The leaders of the American Federation of Labor spend much of their time making speeches about the iniquities of the Company Unions. The attention of the workers is focused on the "autocratic Steel and Iron Institute" and the wicked "steel barons" who use their great power to coerce workers into joining Company Unions. Louis Adamic, the author, is convinced that this policy is shrewdly calculated to blind the workers so that the real issues - the inefficiency and stand-pat conservatism of the American Federation of Labor - are overlooked. The A. F. of L. leaders are really disseminating propaganda for the owners' unions so that they have a subject on which they can safely focus their opposition. The "weak sisters" who fear dismissal hasten to join the Company Unions and the rank-and-file member who would probably join a militant movement is fooled into believing that his leaders are sincerely fighting for his interest.

The author reached his conclusion after the ".....tragic fizzling out of the militant rank-and-file strike movement in the Amalgamated Association of Iron, Steel and Tin Workers....." The A. F. of L. would have a hard time refuting his arguments.

W. E. O. Jr.

"Strikes"
Based on current news releases.

Although the San Francisco strike has held the center of the stage for the past two weeks, many strikes are in progress throughout the country. In sympathy with the longshoremen, 60 unions in Portland, Oregon, threatened to go out en masse unless the union demands were granted. Senator Robert F. Wagner of the defunct National Labor Board hastened to Seattle by plane to prevent the walk-out. These 1200 striking longshoremen stormed a pier in an effort to dislodge non-union workers unloading a ship.

In Boston, New York, Philadelphia, and Wilmington, longshoremen met to discuss the possibility of a sympathy strike. In Minneapolis a renewal of the truck drivers' strike of last May is again under way. Governor Olson called out the National Guard to protect citizens. Personal properties and food stuffs were moved under guard with military passes.

The Baltimore, Maryland, truck drivers' union called a strike for recognition, higher wages and shorter hours.

In Alabama, 20 cotton mills were shut down and 75,000 persons idle because the minority of strikers threatened violence and staged several riots at some of the mills.

Coal miners are on strike at several mines in the anthracite regions of Pennsylvania. Cigar makers are on strike in York and Red Lion, Pennsylvania.

Steel workers at Carnegie Steel Plant, Duquesne, Pennsylvania, are threatening to strike.

Woolen workers in Connecticut walked out in protest against low wages.

In San Antonio, Texas, 8,000 shellers of nuts went on strike for shorter working hours than the present 14 to 18 hours and an increase in pay above the present average of 20 cents.

At Kohler, Wisconsin, about 1,000 men were on strike at the Kohler plant which manufactures plumbing equipment and supplies.

There are many other minor strikes, and unrest is apparent everywhere in labor circles. Most of the disagreement centers around Section 7A of the National Industrial Recovery Act which calls for collective bargaining. The union men consider that "representatives of their own choosing" means the labor union. Employers say that the company union meets this requisite. The struggle for union recognition is uppermost in all of these strikes. Frequently there is added to this cause the code regulations as to working hours and conditions and the specified minimum wage. A dispatch from Associated Press on July 19th estimates that American workers have already lost 15,000,000 man days this year from January 1st to June 30th and that the lost wages would amount to about $150,000,000. This does not include the cost of the San Francisco strike.

H. G. M.

"THE SAN FRANCISCO GENERAL STRIKE"
(Based on current news items)

The general strike in the San Francisco Bay Region began on July 16th at 8:00 A. M. and was called off on July 19th after four days of martial law, shortage of food, paralysis of public transportation, closing of laundries, tailor shops, barber shops, restaurants, filling stations and amusement houses. The trouble began with the longshoremen's strike on May 9th and embraced the cities of San Francisco, Portland, Seattle, Los Angeles and others along the Pacific Coast. As a result, shipping was tied up and many industries and food-handling concerns were crippled and compelled to shut down. Conferences were held between strike leaders and employers and finally on June 16th the leaders agreed to accept the terms proposed but the strikers rejected the terms of settlement and the strike continued. On July 3rd the port of San Francisco was opened under a heavy guard of police. Riots followed in which scores were injured and the entire water front became a battle ground. On July 16th the climax was reached when the general strike went into effect, called by the San Francisco Labor Convention, and embracing 50,000 men in San Francisco. The strike soon spread across the bay to neighboring cities and in a short time 100,000 men were on strike in this region. Governor Merriam called out 2,000 National Guardsmen on July 5th and this force was strengthened by an additional 2,600 on July 16th with two tanks, machine guns and 3-inch guns set at strategic points along the water front. The regular police force of 1,300 men was augmented by 200 special officers. Citizen vigilant committees of 500 were also formed.

By the time the first day of the strike had passed, public opinion, which had been slightly in favor of labor, began to crystalize against the strikers when it was found that the strike committee had attempted to take over some phases of city government and, by issuing permits to certain restaurants only and to a limited number of distributors of bread and milk, curtailed activities and produced untold hardships on the 1,300,000 people of this region. On the third day Mr. William Green, President of the American Federation of Labor, declared that it had neither ordered the strike nor authorized it. The strike committee also found it necessary to remove all restrictions on the sale of food, gasoline and fuel oil. The Governor of the State and the Mayor of the City had issued statements that law and order would be preserved and citizens be protected as they proceeded about their regular affairs. The strike leaders finally agreed to arbitrate their differences through the National Longshoremen's Board as set up by the President. By the fourth day many members of the unions that had gone out on strike in sympathy with the longshoremen had returned to work, and July 30th the Pacific Coast longshoremen themselves took up their work again, agreeing to submit their differences to arbitration.

In surveying the strike in San Francisco, the United Press published the following interesting statistics. The Marine strike lasted 72 days. The general strike lasted 4 days, involved 255 unions and 90,000 union men, and approximately another 100,000 because the business and the industry of the area were paralyzed. Three persons were killed in San Francisco and four elsewhere, and the persons injured totaled 297, with 638 arrests. A total of $150,000,000 was lost in damage, business, wages, etc.

H. G. M.

"THE TENNESSEE VALLEY IDEA" - E. Francis Brown
Current History. July, 1934. 5,000 Words, 1 Map

The government project in the Tennessee Valley is in the nature of an experiment in social, economic, and industrial activities.

The Tennessee Valley authority was established by act of Congress on May 18, 1933, with broad powers for action in the district. There are three distinct divisions of this authority, for (1) the generation and sale of electric energy; (2) the development of fertilizers; and (3) the promotion of the economic and social welfare of the region.

The power system has, as a basis, Wilson Dam and a power house of 600,000 horsepower with a planned hydro-electric system of 3,000,000 horsepower when completed. The proposed project will require the building of dams, power houses, transmission and distribution lines, throughout the area. The problem of energy consumption by factories, mills, fertilizer plants, and residences must be developed, and educational programs emphasizing the use of electricity must be carried on. Such a program means a revolution in the present social, agricultural, and industrial life of the valley. In many sections of this region no modernization has been introduced for a century, due to lack of communication facilities, and worn out, eroded soil with resultant poverty.

As a part of the educational program, the T. V. A. has established the Electric Home and Farm Authority which will sell electrical appliances at low cost and on liberal credit terms. It has assured the people of the valley not only a chicken in their pot but an electric range under the pot if the program is fulfilled. But many farmers have a cash income of only $100.00 a year so cannot consider having electric conveniences in their homes.

The T. V. A. plans to alleviate poverty by educating the farmer in improved farming methods, particularly in the use of fertilizer. This fertilizer they expect to produce in the area and sell to the farmer at a low price. A plan to balance industry and agriculture has been set up by inducing small manufacturing companies to locate in the valley. This is a sort of decentralization of industry. The people finding work in the factory will also cultivate small farms or garden plots nearby.

A plan of building model towns is also under consideration. This project possesses the seeds of a social and an economic order that is quite dissimilar from that existing anywhere else today.

The progress of the T. V. A., in the first year of operation, is quite remarkable. It has given employment to more than 9,000 individuals. This has proved to be a boon to a district where unemployment relief has been drawn in some instances by 75% of a county's population. Personnel is selected on the basis of ability and efficiency, not because of political affiliation or recommendation.

In the power division, many plants and lines have been blue printed, and work is already under way at Wheeler Dam on the Tennessee River and Norris Dam on the Clinch River. Power has actually been delivered to Tupelo, Miss., and one cotton mill used 26% more energy in March at 40% less cost than in January when utilizing other sources of power.

H. G. M.

"The Rules of the Game" - Henry A. Wallace
Survey-Graphic. July, 1934. 3500 words.

In our present situation it is evident that man's attempts to modify nature must be planned by a recognized agency to prevent complete disintegration of society. That the plans worked out by the A. A. A. are worth a fair trial is evidenced by the success of the cotton crop experiment (Bankhead Bill) in the southern states.

However, this does not mean that agriculturalists must accept the "cut and dried" plans proposed by the government. It is far better for each man to modify these plans to fit his soil, locality, and general conditions.

Above all, what we desire least is any taint whatsoever of Communism. We are simply striving for a lessening of the old attitude of "farming your neighbor out of existence" which is not good for either agriculture or the nation; that is, we intend to limit individual selfishness.

A. E.

EXCERPTS FROM THE NEWS

At the University of Virginia Forum, Mordecai Ezekiel, prominent New Deal figure in agricultural problems, said that 40% of the present farm workers are superfluous. He looks to the factories to absorb the 2,000,000 people sent back to the farms by the depression, and in addition 4,000,000 rural workers.

(- New York Times, July 17, 1934)

Forced out of the factories by N. R. A. codes, large numbers of girls ranging in age from twelve to sixteen have obtained employment as domestic servants. Housewives pay them less than adult wages, often only room and board, in the best cases supplemented by a few dollars a week. House-to-house selling, accompained by a hard luck story, is also being pursued by a growing number of children.

(- York Dispatch, July 21, 1934)

The National Economy League will carry on a vigorous campaign during the coming year to stem the tide of federal emergency expenditures.

(- Christian Science Monitor, July 23, 1934)

Relief workers in New York City are making a survey which is expected to prove of value to business and real estate interests. Stationed at the various entrances to office buildings, men with little automatic clocking devices record the numbers of passing men and women separately. The intention is to cover every corner and structure important from a business and statistical viewpoint. The city is also making a comprehensive survey of dwellings, including the population of each building, the number of apartments, elevators, bathrooms, and other equipment.

(- Variety, July 17, 1934)

On July 11, investigators of the National Recovery Administration found that women and children in Haverhill, Mass., were working all day and half of the night making braided hand-bags. The children, laboring while their fathers loafed, were paid at the rate of 5¢ per hour. Twelve manufacturers together employed 2500 people, but 90% of the work was done in the homes. They were ordered to bring the workers to the factory under proper supervision in respect to hours and rates of payment.

(- United States News, Vol.2, #29, July 16, 1934)

Cook County, Illinois, where individual case-workers had been carrying a load of 500 to 1,000 cases a month, has increased its administrative staff and decreased the number of family cases by 46,000 since March of last year. Other counties show an increased case-load attributed to diminishing savings,

idle mines, drought, and failure of small merchants unable to sustain the strain of over-extended credit. Illinois is recognized by federal relief authorities as the only state which absorbed the work and demobilized clientele of the C. W. A. without raising its total of cases to the 1933 high-record level.

(- New York Times, July 22, 1934)

200,000 formerly roving, homeless wanderers have been absorbed by the 200 camps and 350 urban treatment centers throughout the country. These places provide shelter, clean clothing, temporary work, and $1. a week cash. Supported by federal funds, administered by state officials, these havens seem to be clearing the highways and freight yards of drifters. The popularity of the camps is especially notable in the drought areas where farm hands are finding themselves unexpectedly unemployed. Fred Johnson, district special agent for the Great Western Railroad, who has made a study of this problem in Des Moines, Iowa, reveals these facts: (1) There are less than half as many riding freights this summer as there were a year ago. (2) A very small percentage of those now found on freights are earnestly in search of work. (3) 75% are youths who have been deprived of home life through divorce or death. (4) Railroad officials have dropped the attitude of leniency toward freight riders which they showed a year ago.

(- New York Times, July 22, 1934)

According to a recent report of the Bureau of Labor Statistics, factory employment in the United States for June, 1934, has decreased 1.7% and pay rolls 3.1% from the previous month. Factory employment for June, 1934, however, showed an increase of 21.1% and pay-rolls an increase of 37.7% over June, 1933.

Increases in employment in June were recorded in the canning and preserving, car-building, locomotive and aircraft industries. Decline in employment was registered in fertilizer, automobile hardware, women's clothing, cotton seed oil, and cotton mills. The cotton mill decline was due to strikes over compliance with code regulations.

(- Report of Bureau of Labor Statistics, July 21, 1934)

550 employees of the Ames-Baldwin Wyoming Tool Works walked out as the result of a dispute over an employees' election of representatives for collective bargaining.

(- Christian Science Monitor, July 21, 1934)

The August relief allotments, for all purposes, granted to neighboring states are: New York, $19,472,854.; Delaware, $58,376., Maryland, $1,820,936., New Jersey, $3,990,422. Pennsylvania's allotment is $10,603,921.

(- New York Times, July 21, 1934)

The Salvation Army Employment Bureau, which is the second largest free job agency in New York City, reports that it has found 603 more jobs to date in 1934 than in the corresponding period of 1933.

(- New York Times, July 23, 1934)

The American Federation of Labor reports that due to summer lay offs unemployment in the United States increased slightly at the end of June to a total of 10,312,000 persons in industry and agriculture. No improvement is expected until the fall season sets in. During June 100,000 wage earners were laid off from factories and 25,000 from stores but this was off set in part by 75,000 taken on by agriculture for the busy season, 15,000 for road building and 10,000 by the railroads. In all trades together there was an increase in unemployment of 64,000 from May to June.

The Government activities resulted in an addition of 100,000 jobs in P. W. A., and 125,000 jobs in Emergency Relief during June. The personnel at C. C. C. camps however declined 56,000 but plans are under way for an increase in July. The average number of persons on these three emergency programs reached 1,813,000 with a pay roll of $86,779,000, for the month of June. With 10,312,000 out of work in industry and agriculture and 1,813,000 on Government emergency programs the remainder of 8,499,000 persons were without any work whatsoever. This is a decrease of 78,000 over May which showed a net of 8,577,000 without any work.

April Relief figures, the latest available, show 4,447,503 cases covering 16,826,000 persons. Payment of $112,527,000 was made including those on Relief work programs, an increase of 52% over April 1933.

(- American Federation of Labor, Unemployment Release July 28, 1934)

The Federal Government has allotted $13,500,000 to help college students complete their courses during the coming school year. This will take care of about 100,000 students, 12% of the total enrollment of each college and university.

(- New York Times, July 29, 1934)

Aubrey Williams, Acting Relief Administrator, was disappointed to learn from a report made by 143 cities that there has been a drop of only 2% in federal relief enrollment for May and June despite the many people who obtain partial sustenance from their gardens.

(- New York Times, July 21, 1934)

A slight gain is reported in employment in Philadelphia for the May 15-June 15 period. Although this increase is only a change of 1/10th of 1% over the previous month, it is an improvement over the same period in the three previous years with the exception of 1933 when the change was 2.3%. Out of an employable population of approximately 915,000 the number of unemployed during this period is estimated at 305,500. Factory employment did not change but construction and contracting employment declined 3.4% over the previous month.

Other lines of employment improved to result in the small net gain. The estimate does not include "made work" on relief projects of public or private agencies.

(- "Unemployment in Philadelphia", Release # 23,
Wharton School of Finance and Commerce)
July 24, 1934

200 relief workers went on strike in Granville, N. Y., demanding $12. weekly pay scale for all, regardless of dependents. Stating that it was impossible to give all employees a full 30-hour week at the current 40¢-per-hour rate, relief authorities threatened to halt relief work projects and return strikers to home-relief rolls.

(- New York Times, July 26, 1934)

Means of providing permanent medical relief without cost to Pennsylvania's needy are now being studied, the recommendations to be presented at the next regular session of the legislature. At present, approximately 20% of the state's population is on medical relief.

(- York Dispatch, July 26, 1934)

The Denver Opportunity School, a most successful experiment in adult education, had an enrollment of more than 10,000 in the last year. Skilled workers come to it in order to keep abreast of new inventions and practices affecting their trades; those who have lost their jobs through physical disabilities or through being replaced by machinery come to learn another trade; and new workers just out of high school come to be equipped for industry. By making surveys, the authorities find which industries are undermanned and then they try to concentrate on courses to fit people to go into such lines of work. For instance, they feel that secretarial and office workers are being replaced in large numbers by dictaphones and improved methods of filing, whereas there is a great demand for trained sales people. They have also placed many of their geography students in Colorado tourist bureaus.

(- New York Times, July 29, 1934)

The City of Neenah, Wisconsin, the only municipality in Wisconsin not receiving State or Federal Funds for relief; is conducting an unemployment relief program through the Street, Highway and Bridge Committee of the City Council. Street repair and new construction is under way to provide unemployment work relief for 150 men with a pay roll of $2,000 per week, two shifts of 5 hours daily a total of 30 hours per week at 40¢ per hour. The City of Neenah has fifteen (15) industries consisting of paper mills, foundries, stove manufacturing and wood working plants, and property assessed at $15,000,000. The city's peak unemployment period showed approximately 300 persons out of work, but the city funds for relief have been so administered that there will be ample (over $50,000) available for relief during the remainder of the year.

(- A. J. Halak, American City - July 1934)

ANNOUNCEMENTS OF NEW BOOKS

"Barter Lady: A Woman Farmer Sees It Through" - Evelyn Harris
Doubleday Doran, New York. 338 pp. $2.50

An extremely alert widow, who holds three mortgaged farms covering 1000 acres along Maryland's eastern shore, tells of her steady financial loss which continues despite cheap labor, diversified crops, carefully preserved woodlands, progressive methods and efficient management. She raises such questions as: why farm mortgages should not be cut down as stock market values have been cut, and why farmers should not have the same tariff protection as industries since jams, powdered eggs, and other foods can be profitably imported.

"An Historical Basis for Unemployment Insurance."
A Report prepared for the Employment Stabilization Research Institute, University of Minnesota, by Industrial Relations, Inc., of New York.
University of Minnesota Press, Minneapolis, Minn. $3.00

This is a chronological account of the development of unemployment insurance in Europe, culminating in a detailed analysis of its present operation in Great Britain, Germany, Belgium, and Switzerland, followed by a summary of what has been done in the United States.

Vol. 1, No. 3 August 17, 1934

THE UNEMPLOYMENT RELIEF DIGEST

A semi-monthly bulletin presenting in compact form the substance of recently published material concerning unemployment and the administration of relief.

State Emergency Relief Board

Department of Research and Statistics

Harrisburg, Pa.

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"Labor in the Trenches" - R. L. Duffus
Today. August 11. 2000 words.

In its simplest form, a strike is no more, no less, than a concerted effort on the part of wage earners to drive a better bargain with their employers by witholding their labor. Strikes are just as dependent on economic conditions as are car loadings or stock market prices. These militant upheavals occur when the worker is dissatisfied or when he thinks he can win. Dissatisfaction occurs at the end of a period of prosperity when wages are cut due to falling markets. When signs of increasing business appear, he believes himself in a strategic position to demand his share in an increased wage, and effect union recognition or other motive as outlined by his labor leader.

American workmen took seriously the clause in the Industrial Recovery Act of June, 1933, which states "employes shall have the right to organize and bargain collectively through representatives of their own choosing." When the N.R.A. has appeared negligent in enforcing this clause, the workmen have taken enforcement into their own hands. Accurate figures of the number of workers involved in strikes and the time lost is summed up in the following table taken from the Federal Bureau of Labor Statistics:

Year	Number of Disputes	Workers Involved	Man-Days Lost
1927	734	349,454	37,799,394
1928	629	357,145	31,556,947
1929	903	230,463	9,975,213
1930	653	158,114	2,730,368
1931	894	279,299	6,386,183
1932	808	242,826	6,462,973
1933	1,562	812,137	14,818,847

In 1916, when the World War brought us a precarious prosperity, the best figures available showed nearly 1,600,000 employees were out on strike. Following the industrial truce during our participation in the war, approximately 4,160,000 walked out.

The man-days lost in the first five months of 1934 exceeded 9,000,000 and each week brings some new group entering the "industrial trenches." An analysis shows the people who have expressed themselves in this manner are average Americans responding to a normal American urge. They differ too much among themselves to be "class conscious" in the European meaning of that phrase. They give little evidence of being revolutionists.

In discussing the causes of these strikes, the author quotes an analysis of 87 cases made by the Conciliation Service of the Department of Labor as follows:

47 dealt mainly with wage adjustments.
1 dealt exclusively with wage adjustment.
4 dealt with disputes between unions as to which should be recognized or which should perform stipulated tasks.
35 dealt with union recognition or improvement in working conditions with some linking of wage increases.

The strike wave did not abate with the summer months. Among the new labor leaders springing up all over the country, doubtless some are radicals. On the other hand, the arrogance of some employers, particularly in the steel and automobile industries, has made workers radical who were not so before the present crisis.

"There can be no question as to the disquieting temper shown by both sides in these strikes. At times, a wild spirit of hatred flamed out. Workers whose nerves have been worn ragged by long years of unemployment or partial employment do not enter a strike in the mood of children going to Sunday School. Employers accustomed to command, and now for the first time in several years, perhaps, able to write up their accounts in black ink instead of red, are likely to be bitter when labor demands a slice of the profits. All this is human nature under a competitive system. It is what we have to expect when individualism gets too rugged. It is not un-American, if we mean by that adjective what actually has happened in this country and not what ought to have happened."

Previous periods in our economic history saw untold violence compared to the dramatic events of the past year. Mr. Duffus makes this much clear, - that there has been more intelligent treatment of the strike movement during this period than heretofore. This shows we are not yet facing in America an irrepressible conflict between capital and labor. Compromise is still possible. Few employers turn immediately to armed guards. Few workers, out of the total number in the country, have had recourse to violently destructive tactics as a means of demonstrating the justice of their cause. The striker, be he "right wing" or "left wing," is acting in accord with the ruling principle of the capitalistic system, as he tries to get as large a share as he can out of the national output. His attempts parallel those of the farmer, manufacturer, middleman and retailer. The fundamental motives are for bread and butter and the things that go with them.

"It is well to have these facts in mind, because we are likely to have more strikes before we have fewer. These episodes can be faced more calmly and judicially if we see them in their proper perspective, against the background of a great country which, on the whole, is tranquil and peace-loving and whose major problem at the moment is involuntary unemployment, not voluntary unemployment...

"Congress did refuse, or neglect, to pass a thirty-hour law, and the thirty-hour week, joined with a living wage, is a rare bird indeed in American industry.

"How strong is unionism? In January, 1933, the A. F. of L. had about 2,000,000 members, or about half what it had in the peak year of 1920. Under the stimulus of Section VII of the National Recovery Act, which was explained to thousands of workers as making it almost a patriotic duty to join a union, the number had been increased to 4,000,000 before the year closed. Probably it is larger now. Outside the A. F. of L. are the four railroad brotherhoods, with a membership of about 400,000; several miscellaneous groups, with a membership of 300,000 or less; and perhaps 100,000 workers in left-wing unions which are hostile to the A. F. of L. Union membership today, not counting workers in 'company unions,' probably is around 5,000,000 or a little more than one-tenth of those reported in the census of 1930 as 'gainfully employed.'"

The National Industrial Conference Board, in a recent survey of collective bargaining in 2,975 identical manufacturing and mining enterprises, compared conditions of November, 1933, with those of May, 1934. Company unions accounted for 44.9% of those employed in November and 49.6% in May. The regular labor unions had 9% in November and 10.4% in May. The employer's desire to give his own interpretation to Section VII is evidenced by the high per cent and increase in company unions. No labor leader, however, could be said to love a company union, be his sympathies red, pink or merely mauve.

The essential facts of this brief survey are that labor unions sufficiently organized to conduct successful strikes represent but a small fraction of the country's workers and that strikes so far have affected but a small fraction of organized labor. Until we devise a better method of distributing to the people the benefits of technological and scientifically humane progress, strikes will occur. Some of them will be violent.

Riot headlines in newspapers need not scare us into a revolutionary drift. We are not inclined that way. We are merely undergoing a crude, primitive process of bargaining.

A.S.H.

"Josephine Roche - Coal Operator" - Marian J. Castle
The Forum and Century. August, 1934. 1800 words.

A Vassar trained liberal, Josephine Roche, President of the Rocky Mountain Fuel Company, controls the second largest coal mining company in Colorado. She is known locally as a militant sociologist and industrialist, with a flair for the political limelight, having recently been second choice in her party's canvass for a candidate for Governor in the coming fall election.

Miss Roche participated in juvenile court work under Judge Lindsey and served as a Belgian relief worker during the war.

Acquiring majority stock control of her Company, following the death of her father, she appointed Edward P. Costigan, now Senator from Colorado, as the Company's General Counsel. John R. Lawson, President of the Colorado State Federation of Labor, was made a director and a vice president. In September, 1928, the miners were told that the Company was ready to sign a union contract with them as soon as they were able to organize. The agreement became, in word and in fact, "a joint undertaking." A basic day wage of $7.00 was established. The miners became company salesmen through their social and trades union contacts.

In 1931, a competitive price war broke out. A committee from the miners assumed their share of the fight by offering to lend the Company one half of their pay for three months. The semi-annual bond interest payment of the Company was met and victory was assured when prices went back to a fair level.

In 1932, following general wage cuts throughout the industry, a modification was made in the basic wage, reducing it to $5.25 per day - 25 cents above the wage paid by the Company's immediate competitors. During this year the six mines of the Company worked an average of 175.2 days compared with an average of 134.6 days worked by all mines in the State.

In 1933, the average daily production per miner in the Company was 10.6 tons, almost 3% higher than the average for all other miners in the State.

The effect of the successful operation of the experimental policies adopted by this Company are evidenced in provisions now found in the Bituminous Coal Code. If a solution has been found to some of the ills besetting this huge basic industry, credit is due the pioneer.

A. S. H.

"Theories and Facts About Labor Relations" - Ernest T. Weir, Chairman, National Steel Corporation.
Nation's Business. August, 1934. 3500 words.

Under the terms of the National Recovery Act, the employer must deal with his workers as individuals or deal with them collectively through representatives of their election. Ambiguity arises over the method of determining just whom the workers want to represent them, and whether representatives elected by the majority shall represent all the workers.

The American Federation of Labor has attacked the employee representative plan in self interest. The public has been told that, through the influence, coercion and intimidation exercised by employers, plans have come into being which do not represent the free choice of employees.

If the national unions afford such great benefits to workers, why have they attracted such a small percentage of labor? In 1932, the Federation of Labor had 2,500,000 out of 45,000,000 workers, covering about 10%. If it had so much to offer, no power on earth could have kept 90% of the American workers out of it.

The national unions insist upon closed shops. Every worker must belong to the union if he wants to hold his job. What becomes of the vast sums of money collected as dues? The employer's one big interest is the peaceful, continuous operation of his plant. If the unions were the best agencies to maintain satisfactory employee-employer relationships, they would have been welcomed with open arms. Most of the differences in plants are concerned with wages, piece work, tonnage rates, safety, health, housing, education, athletics and public relations. Most of the differences arising from day to day can be settled by the employee representative because he knows the men and understands the nature of the complaint.

Mr. Weir points out that American business has grown through an understanding between employer and employee, and not through labor unions. Our country has developed its business and natural resources and enjoys more luxuries than any other in the world. This has been done by individual initiative and foresight.

Some of our largest industries were founded upon ideas which seemed visionary in the beginning. The United States and its institutions have endured only because of a spirit of personal patriotism that would not permit regimentation by the drill master or the bureaucrat.

To make progress, the workmen should be free to join a labor union; free to work without the consent of any labor leader and without dictation from organized labor sources whose motives may be open to question.

A. S. H.

"Better Off Than a Year Ago?" - Neil Carothers, Professor of Economics in Lehigh University.
The United States News. August 13.

Some people attribute the improvement in our economic condition to economic laws, some to the rising price level, and some to the President of the United States. However that may be, recovery in America is progressing.

In 1837, this country suffered an economic crisis. There had been feverish prosperity accompanied by inflated valuations, reckless speculation, unwise extension of credit, and profligate Government spending. The crisis was followed by prolonged depression. Many believed that the economic order would collapse unless the Government intervened, but the Government paid no heed to the proposals. The depression dragged on and recovery finally arrived.

Substitute the year 1857 or 1873 or 1893 and you get the same old story generation after generation. In every severe depression the people were bitter toward the political administration, and then everyone forgot grievances as soon as recovery came.

Time alone cures depressions. That is why economists refrain from proposing a patent cure. Not so with statesmen, however, who rely upon the remedies of the N. R. A., the A. A. A., the C. W. A., the P. W. A., forced credit inflation, devaluation of the dollar, and Government loans.

Economists have no faith in such cures. The low price level, cruel as it is to debtors, is the key to recovery. Cotton at 5¢ and copper at 6¢ and money at 2% do not cause depression; they cause recovery. The drop in prices enables industry to keep going, and, after a while, with superior management, to make a little profit. Very gradually these funds go into industry; confidence returns; recovery has come.

Mr. Carothers states that probably the N. R. A. has had little effect on employment. The increase due to shortening hours is offset by reduced business due to increased costs. Neither he nor any official in Washington has any definite evidence of the results of the N. R. A.

There is widespread fear that the failure of artificial recovery-making will lead, in the hard winter ahead, to further out-pouring of money, followed by violent inflation and financial chaos. This is most unlikely. In the race between recovery and experiments, recovery will come out ahead. Recovery is guided by all known history and all known facts of economics. The other entry has only unsupported experiments to guide it. Recovery will be under the wire before experimentation can untangle its legs from the harness.

A. G. K.

"Our Economic Society and Its Problems" - Rexford G. Tugwell and Howard C. Price
Harcourt, Brace and Company, New York. Illustrated. 545 pp. $2.50

In America, the machinery of production has wasted power by inferior technique and organization, unreliable finance, unsatisfactory transportation and marketing arrangements. Through lack of consistent planning, the natural and human economic resources have never been brought to their full utilization. There can hardly be a doubt about the well-founded belief that markets have furnished no security for fully continuous employment, although time after time there has seemed to be a progressive advance in one or several industrial systems which should have proved the needed, desirable mechanical balance for the interlocking process.

The present century has shown that the first phase of the Industrial Revolution was a transitory upheaval, and that increased productive efficiency has provided wider comforts for the mass of the people. The improvements in standards of living in the United States from the World War to 1930 correspond almost exactly to the advances in the production of goods. On the other hand, there has been a lag in agricultural production since 1900, due largely to the failure of farm prices to advance along with other prices. Agriculture is our prime source of national economic strength, yet over half of the farm families in our country live in the most extreme poverty.

The almost successful Russian experiment has been facing the same problem. We can examine the Soviet for the technique, the objectives, the results, and the significance of social planning. But wages, practically equalized in all industries, have been lowest in agriculture to which the system of social insurance has not been extended. It is still questionable, regardless of the Russian experiment, whether cooperative effort toward a so-called common end calls forth a type of human endeavor as fine as that evoked by a constant competitive struggle with the emphasis on individual reward.

Furthermore, although the Federal Reserve system has rather ably satisfied the need for a flexible, fluid currency since 1913, the problem all along the way has been that banking and business have not cooperated in being socially useful by advancing credit in the right direction.

The greatest good for the greatest number, it seems, is somehow to be achieved by a regulation of competitive profit-seeking, an extension of social control through an expansion of the public-utility concept, a relationship between agriculture and industry to coordinate the rewards, and an elimination of restrictive barriers against imports. An open-minded, experimental attitude toward social and economic institutions and problems should replace adherence to a blind traditionalism.

A. Q. P.

"Two Billions More" - Margaret Culkin Banning
Saturday Evening Post. August 11. 6000 words

The title of this article is a rounding of the figures approximating $2,250,000,000. voted by the Senate on June 15th for public works and relief appropriations.

There is a marked change in the present attitude of some persons on relief compared to their attitude of several years ago. Many of them, now assuming that the Government must take care of them, demand even more than they have been receiving.

The justified and indispensable governmental assumption of relief responsibilities has inadvertently produced another difficulty. In normal times, the private relief agencies carried the community over the winter months and through periods of unemployment and stress. Their funds were collected from the well-to-do and even from the working men willing to help their poorer neighbors. Modest sums were dispensed and accounted for. Now, as the depression has caused incomes of former contributors to dwindle and needs of the poor to increase, the Government is dispensing huge sums, collected from the tax-payers, without giving an account of their distribution. The rich, knowing of the tremendous expenditures being made by the Government, refuse to contribute to private agencies. The working people say, "Let the Government take care of them" (the needy). This attitude has produced discontent among the rich contributors, the workers, and the relief recipients.

The author contends that "social experiments must be measured, not by the power they exercise or the employment they create but by their effect on character. The wisest people in this country are less troubled with financial breakdown than by the breakdown in character. If the billions we are spending contribute to that collapse they ought to be withheld or differently administered. We are going to have a problem of relief in this Country for a long time.

"We are not sure what we want the Government to do about relief but before we give to the Community Fund every dollar we can squeeze out, we should come to an understanding and define permanent and unpermanent relief measures. If we believe that we can risk creating a great discontented pauper class then we can go on as we are going. If we do not, then we should draw a sharp line between Federal Responsibility and what the Community must do."

H. G. M.

"Unemployment - Government Job" - Ralph E. Flanders
Nation's Business. Vol. 22, No. 8. August, 1934. 4700 words.

"Any proposal to end unemployment must begin with the premise that the problem is a permanent one and not merely an incident of depression."

There are many unemployed even in good times, and there are several varieties of unemployment. For short periods of unemployment, there should be limited monetary relief or unemployment insurance; for longer periods of unemployment, there should be unlimited work on socially useful tasks at subsistence wages, and a normally increasing volume of public construction even under standard conditions.

In addition, there is needed a national system of employment offices to bring all unemployment data and all relief measures into correlated effectiveness. Through such organizations as the C.W.A., C.C.C., and E.R.A., "we are within reach of the goal which our industrial civilization is physically capable of reaching - a job for every man at any time whether for thousands or for millions - subsistence or better when private employment fails."

Private business must be both constructive and disciplined, and must be developed so that it can "increase the production and distribution of wealth to all classes of society to the disadvantage of none, and at the same time permit the accumulation of ample reserves for any social emergency." For the sake of the common man, business and politics must come into new relations with each other if the problem of unemployment is to be solved.

A. G. K.

"Detecting Charity Frauds" - H. Bowden Smith
Baltimore Sun. August 12. 1200 words.

Baltimore, Maryland, has set up a very comprehensive system of indexing and cross-indexing all relief cases to prevent fraud and misapplication of funds. When an application for relief is received in any of Baltimore's one hundred and thirty-two relief agencies, it is at once referred to the Baltimore Social Service Exchange for checking, and to ascertain whether or not the case is receiving help from any other source and, if so, the nature of such aid. The filing is a simple system using phonetic spelling so that even if an individual changes the spelling of his name, the reference is readily available.

The Baltimore Social Service Exchange handled 114,875 inquiries in 1932; in 1933, the number of inquiries jumped to 152,089. The entire expense of the Exchange is borne by the Community Fund.

A. E.

"Relief is Ruining My Town" - Ray Bert Westerfield
Nation's Business. August, 1934. 1000 words.

The writer, on a visit to his old home town, finds a large number of the townspeople and farmers receiving relief of one description or another. To his amazement, no stigma appears to be attached to the acceptance of relief.

Twenty years earlier, the local people were industrious, thrifty and self-reliant. Now they lean on the Government for aid. The writer ascribes this change to: (1) Loss of savings in closed banks; (2) Contraction of equities and consequent foreclosures; (3) Continuance of an inflated standard of living after the boom had collapsed, thus wiping out remaining savings; (4) Excessive taxation; (5) Threats of inflation which have discouraged savings.

The author advocates a nation-wide campaign to encourage savings.

T. A. V.

"Salvaging the Workless - Britain and Germany" - F. Britten Austin
Saturday Evening Post. Vol. 207, No. 6. August 11. 6000 words.

The human and social side of unemployment has received an increasing amount of attention in both England and Germany in the past two years. Idleness enforced upon the younger generation, some of whom have never worked, is a menace to physical and mental well-being which turns their virile and dynamic energy into corrosion and destruction.

In Great Britain there are still about 2,000,000 unemployed on the dole, but there are thousands of the younger generation who have never had a job and are not entitled to the government insurance scheme. The British people, about a year ago, began to realize that a large proportion of these persons would remain permanently unemployed. An attempt to salvage the younger generation, eighteen to thirty-five years, has been undertaken by two schemes of the Ministry of Labor. The first provides for physical reconditioning of the unskilled workless, somewhat in the form of our C.C.C. camps. About 200 men are assigned to each camp for a period of twelve weeks and are not eligible to return. Although neat and orderly, the camps are conducted without military activity or discipline, complete freedom for the individual outside of working periods being the dominant feature. The labor performed consists of reforesting, ditching, shoring, and stream revetment work, and in no case is competitive with ordinary labor. When the training period is ended, they return home, bronzed cheerful, and in good health, ready for work, but still without a job.

The second government salvage organization consists of instructional training centers for skilled workers. Men from Welsh mines, workers from the shipbuilding yards on the Tyne, lacemakers from Lancashire, and steel operatives from Sheffield, all blighted areas, are given adaptive training in lines apt to prove profitable. When the courses are completed, the labor exchanges endeavor to provide employment in some non-blighted areas. At present, 90% of the trained workers are being placed in their new trades. During the training period, these men are lodged with local households at government

expense. They are paid a small weekly allowance and their "dole" is discontinued. Military or institutional discipline is conspicuous by its absence. Although recreational facilities and sports are provided, attendance is not compulsory.

The salvage accomplished by these two organizations is excellent but woefully inadequate, since the present schedule deals with only 9,000 men a year out of 2,000,000 unemployed. The real attack upon this vast workless group has been left to voluntary agencies. This seems to be the traditional British method of tackling national emergencies, without government bureaucracy and regimentation. These voluntary organizations are co-ordinated under the National Council of Social Service and are supported chiefly by local contributions. Educational projects are carried on, and self-help instruction given, but in no case may the products be sold in the market.

Recently, there has been some sentiment that the entire organization should be taken over by the government and its scope increased because, at present, it only reaches 10% of the unemployed. The trade unions object to such a plan because they prefer, according to British tradition, to keep their trades closed corporations. The socialists object because the workers in dire necessity and despair are more ready for social revolution. The present scheme will probably continue since it is the British method of "muddling through."

The German method of handling this problem is in direct contrast to the British plan. With traditional German thoroughness, the unemployed army of 6,000,000, which the Nazi government found when it came into power, has been reduced to 2,500,000. The salvaging of youth, however, began in 1924, with the "Artamane" movement. This movement had as its object the replacement of the Slavs who had entered the eastern part of Germany as agricultural workers. Students, clerks, and unemployed, both boys and girls, worked for the peasants during the harvest season. As the movement grew, it found favor with the National Socialist Party, and in August, 1931, they organized the "Arbeitdienst," or Voluntary Work Service. This organization has grown with rapid strides. Its present object is to use the spade to conquer approximately 27,000,000 acres of land for cultivation, by drainage, irrigation, or the building of good roads. Back of all this is the avowed desire to make Germany self-sustaining in respect to its food supply. Another objective is to give preliminary agricultural instruction to unemployed people in industrial centers and large cities, to draw them back to the land. Finally, the Work Service is an educational center for instruction in Nazi doctrine and policies, not the least of which is the removal of class distinction and establishment of comradeship among all the German people.

To carry out the work service program, there have been established 1,000 camps throughout the 30 districts of Germany. Only a few of these camps care for women. While claiming they are not in any way militaristic, these camps, from start to finish, are conducted on the plan of a military organization. The men, dressed in a drab work uniform, march to and from their work with shovels at left shoulder-arms, singing patriotic songs. Although the Work Service is a voluntary organization, it is impossible to obtain other employment without a passport which signifies that a young man has served in one of these camps. Even students must give the minimum of six months' service. Rigid routine and discipline mark the camp. There is a one hour period every evening for instruction in the principles of National Socialism. This typically German method is inculcating socialist doctrines and welding the young men into national comradeship. This feature will have some bearing on the maze of future European politics. Physically, the men are well cared for, being comfortably housed and compelled to observe a rest period in the middle of each day. To those German youths who had

been doomed to unemployment in the large industrial centers this has indeed proved to be a "New Deal."

H. G. M.

"Gentlemen of the Press in Revolt" - Jonathan Eddy
Today. August 11. 1200 words.

The search for the lost clause setting standard wages and hours for editorial department employees in the blanket code of the N. R. A. led to the organization of the American Newspaper Guild, composed of 8,000 reporters and desk men from all parts of the Nation.

Learning for the first time in their lives that a $35. a week wage-earner was a "professional" exempt from the benefits of any N. R. A. publisher agreement, these collectors of news, in a recent convention at St. Paul, voted unanimously to adopt the following resolutions: (1) That President Roosevelt should supplant George Buckley as Deputy N. R. A. Administrator in charge of the newspaper code; (2) That press associations, whose daily wire reports virtually create what is known as public opinion, should come under a code as other American industries have done; (3) That Louis Burgess of San Francisco, a former Hearst employee, be hired as a reward for Guild activities; (4) That it disapproves newspaper copy which, "by distortion and suppression," fosters "political, economic, industrial and military wars"; (5) That they sponsor Federal unemployment insurance as envisioned in the Lundeen bill; (6) That they adopt a code of ethics recommending that news "be treated exclusively in the editorial rooms instead of the business office"; (7)That they "table," for a year, consideration of affiliating with the A. F. of L., but pledge the Guild to co-operate with other labor organizations.

The publishers' reaction to the resolutions has charged the Guild with being radical and politically minded. Mr. Eddy claims it is not, and explains that the Guild seeks only to bring wages of some newspaper workers to a subsistence level and to insure all security of their jobs such as organizations of journalists have obtained in many other countries.

C. F. K.

"Behind the Smoke" - General Hugh S. Johnson
American Magazine. August, 1934. 2800 words.

General Johnson defends the N. R. A. by citing the material good that it has accomplished: "The N. R. A. has practically eliminated Child Labor in the United States, has put 3,000,000 people back to work, and increased our annual purchasing power by at least $3,000,000,000."

General Johnson asserts that, by admitting his errors in judgment, he has placed the laboring man in a position to understand and defend him in the future. He points out that rapid adjustment of these errors has been made.

The "service trades" have been the most difficult codes to enforce, mainly because of the structures of these trades.

The cotton textile industry was the first to come under the code, and, by doing so, blazed the trail for the whole industry with a voluntary abolition of Child Labor. Other large industries slowly wheeled into line not without much dissension, many conferences, and, in some cases, strikes, with the result that "90% of the field of employment is covered with codes or re-employment agreements."

A. E.

"Adult Education; A Fresh Start" - Alexander Meiklejohn
The New Republic. Vol. 80, No. 1028. August, 1934. 2500 words.

America needs adult education. It is not enough that a man finish high school and college. He must be trained to live with his neighbors. He must be democratic by practice. This is the only way a democratic America can thrive - can attain new and higher goals.

How shall we go about teaching this course in "common thinking"? What methods shall be followed? What material used?

Many adult classes, evening schools, correspondence courses, etc., have been molding public opinion. Take these groups as a whole. The striking feature is its planlessness. All subjects are "elective." A man chooses the one peculiarly suited to his own immediate personal interest.

"And the time has now come when such 'elective' incoherence simply will not do. We Americans have a very definite piece of adult teaching to do. We have common problems which must be thought about. Unless we can be aroused out of our distractions, out of our ignorance, into the attempt at understanding, our venture in democracy must come to a speedy and disastrous end. Can we do what needs to be done? Can we train ourselves to think about our problems?"

We are beginning to see what, in its essentials, the method may be. We are to be guided by reading courses. An outstanding example of this is the "Great Books" course at Columbia. "One learns to play well by playing with the best players."

The San Francisco School of Social Studies has been following this maxim. Some of the books used in study are: Dialogues of Plato, the Bible, the Constitution, the writings of Emerson, Whitman, Karl Marx, Emily Dickinson, Lenin and many others. These authors tell us of the attempts of our intellectual leaders to solve the problems that we in America now face.

The books are discussed chapter by chapter. "Lecturing" and mere general "discussion" are evils to be avoided. "The purpose is to develop in the student the power to do his own reading. It is an honest attempt to understand what an idea means when presented by another mind - in this case by a mind far superior to one's own." Honesty, accuracy, and humility are essentials in this reading course.

The final feature of the author's plan is to plant thousands of these schools throughout the country, under some separate organization for each State and in touch with a National Board. A dream - but such dreams have made America.

A. T., Jr.

EXCERPTS FROM THE NEWS

The Allegheny County Emergency Relief Board has inaugurated the first rent-relief plan in Pennsylvania. They will turn a limited amount of relief funds into rent by paying a few landlords a sum equal to the amount of their taxes on property occupied by relief families, plus 1% of the property's highest assessed valuation for maintenance cost.
(- Christian Science Monitor, August 7)

The Berlin, Germany, Office for Labor Placement and Unemployment Insurance announced that the number of registered unemployed had been decreased by 54,000 during July, reducing the total still on the registers to 2,426,000. Of that number, 1,993,000 are men and 433,000 are women. This achievement is hailed as being all the more remarkable because nearly 70,000 persons in emergency relief employment had been discharged as a result of the government's gradual contraction of its labor-creation program. The biggest reduction in registered unemployment was in Berlin, where the drop was 30,000. However, many homes there have been broken up by the compulsory transfer of unemployed married men, and even of employed young persons of both sexes, to the country as land helpers at nominal pay. Hundreds of Berlin wives are filing suits for divorce on the ground that their family life has been broken up. In the textile industry, the number of employed persons was maintained only by shortening the working week to 36 hours. Some branches of the wool industry are employed only 24 hours per week.
(- New York Times, August 10)

Preparatory to launching a comprehensive program of adult education in which many unemployed teachers will be engaged to give courses of instruction, the Federal Emergency Relief Administration is conducting, at the University of Virginia, an eight-day training institute for personnel in Virginia, Maryland, West Virginia and the District of Columbia.
(- Baltimore Sun, August 12)

A survey of the first year of the steel industry under the N. R. A. reveals that 117,820 more workers were employed in June, 1934, above the number for June, 1933. The total wages for June of this year were $49,466,644., an increase of $18,905,903. over the previous June, although operations were only 23% greater. The average earnings per hour for wage-earners, exclusive of salaried employees, were 63.9 cents in June this year, as compared with 47.3 cents in June, 1933, an increase of 35%. While the average work week was 10% less in 1934, average earnings of wage-earners were $22.81 in June this year, an increase of 22%. (- New York Times, August 5)

The Federal Surplus Relief Corporation, which is prepared to buy 150,000 tons of soy bean hay for livestock in drought sections, expects to distribute fresh cuts of beef and veal in addition to canned and cured meats.
(- United States News, August 13)

Although official figures of unemployment in England and Germany are a by-product of unemployment insurance plans, under which all the jobless are obliged to register, there are no official figures on unemployment in the United States. The American Federation of Labor estimated that in June of this year we had 10,300,000 unemployed. The United States Chamber of Commerce maintains that this figure should be cut in half. They estimate that there are but 7,000,000 unemployed for all reasons, and from this figure should be deducted at least 2,000,000, the number of unemployed we have even in a period of great economic activity. Furthermore, the estimate of 7,000,000 is a gross figure, which probably includes many unemployables. The Chamber of Commerce report goes on to state that "what this country needs is not more statistics, but better statistics. The gross figure (of unemployed) even includes persons who formerly were occupied in a field, are not now employed in it, but who are fully employed in a different field, for which statistics are not collected." (- New York Times, August 12 and 13)

Mr. Audrey Williams, Assistant Federal Relief Administrator, states that "there are 4,300,000 families in the United States on relief rolls; one out of every six families in the United States is receiving relief from Federal or State funds, 60% borne by the Federal Government and 40% by State and local funds." (- Christian Science Monitor, July 28)

In New York City, one out of every ten persons receives home relief. Applications were received at the rate of 1,573 daily on every working day in July. This increase in new cases, explicable only in part by the recent dismissals from the Works Division and the midsummer business slump, is a vivid illustration of industry's continued inability to absorb a large number of its unemployed. During July, New York spent $6,544,172.62 for home relief. Of that total, $4,087,959.45 was paid in cash for food, light and fuel, and $2,051,319.76 was paid for rent, which is still being paid by voucher; the rest was used for miscellaneous needs. 20,163 new relief cases were accepted during the month and 6,899 were closed.
(- New York Times, August 12)

The New York State Economic Council on Employment Aid suggests that people on relief rolls should not be allowed to vote. The Council contends that if the people on relief would organize, they could wield great power which would hamper every effort to bring about economic recovery.
(- Christian Science Monitor, August 6)

Because of the failure of the State of Louisiana to enact relief legislation, Federal benefits were stopped, leaving 15,000 unemployed without aid.
(- Christian Science Monitor, August 7)

More than 6,000 miles of malaria-drainage ditches were constructed by relief workers in the South, 130,000 men being so engaged at one time. Dr. Louis L. Williams, Jr., in charge of malaria investigation for the Public Health Service, states that "the efficiency of the population in an area scourged by malaria is reduced approximately 1/3 by the disease." It is his belief that the money saved by controlling this malady will, in ten years, equal all the South has lost during the depression.
(- New York Times, August 12)

The F. E. R. A. is making two surveys, one to determine the best method of rehabilitating rural families on relief, the other to ascertain what share of relief costs the states may reasonably be expected to pay during the coming year. The former will be directed by Dr. Dwight Sanderson, formerly Director of the Department of Rural Social Organization, New York College of Agriculture, Cornell University. The purposes of the survey include: (1) Classification of families now receiving relief in terms of their likelihood of becoming self-supporting. (2) Estimate of economic and social resources immediately available or potential for rehabilitation. (3) Effect of local policies in granting relief, and composition of the population receiving it.

(- New York Times, July 31)

F. E. R. A. seeks answers to two outstanding questions: (1) How many unemployed persons are employable? (2) How much can the states pay toward relief costs? The state financial study is being carried on by the Detroit Bureau of Government Research. The study of unemployed persons is utilizing 2,625 interviewers, clerks, and supervisors.

(- United States News, August 6)

When the City Manager of Portland, Maine, observed able-bodied men sitting idle while receiving $2.00 a day relief money, he demanded that they be put to work. A howl of protest arose at once from the Portland Relief Workers' Protective Association.

(- Christian Science Monitor, August 8)

100 of the 2,000 workers on the city relief roll of Bridgeport, Conn., threatened to strike, picketing all city relief projects, unless the city acceded to their demands for $12. cash per week. They have been receiving $5.60 a week in scrip and a box of food. The mayor warned them that by striking they would cut themselves off from work relief and receive nothing but the box of food. The man acting as organizer and spokesman for the strikers is not on relief himself. His address is that of the local Communist headquarters. (- New York Times, August 12)

P. W. A. employees now total 675,000 persons. Expenditures, at present, are $39,000,000. per week. (- United States News, August 13)

According to Secretary Ickes, a statistical study reveals that Pennsylvania has been benefiting more than any other state by the P. W. A. program because materials, furnished by its mills and factories, are used in all parts of the country. (- New York Times, August 13).

The Dominion Government has taxed the Canadian treasury considerably over $100,000,000. during the past few years for relief appropriations. These terminated August 15th. The provinces are protesting vigorously against being left with the burden. They declare that the Federal Government should bear the full cost of relief. (- Christian Science Monitor, July 31)

The New York State Employment Service and National Reemployment Service for that State lists 18,474 placements made in June. 9,317 were in public works and government service. Private jobs include 3,360 domestic and personal service posts, and 1,261 jobs in hotels, restaurants, and institutions. 697 placements were in wholesale and retail trade, 608 in private building and construction industries. Next in importance were: iron and steel products, 532; agriculture, forestry and fishing, 523; food and allied industries, 450; transportation and communication, 343; metal industries, excepting iron and steel, 132; clothing industries, 188; commercial service, 156; laundries, cleaning and dyeing, 203. 24% of the persons placed were women. (- New York Times, July 30)

The Reconstruction Finance Corporation closed its first loan to a school district for the pay of school teachers with the advancement of $22,500,000. to the Chicago School Board. (- United States News, August 13)

The recently published "Census of Occupations for England and Wales" lists 35,000 different occupations. Among curious facts included are the listing of women in the following capacities: gunsmiths, plumbers, dock laborers, book-makers, saddlers, harness-makers, stock brokers, chief constables, inspectors and superintendents of police, navigating officers and pilots, firemen, carpenters, masons, wheelwrights, ministers of religion, and professional engineers. People still following an occupation although they are 75 years of age or over include 72,442 men and 19,364 women.
(- New York Times, July 29)

Approximately 40,000 people in Oklahoma are on federal relief rolls because of drought. The Federal Government is spending $200,000. a month there in addition to the regular relief funds. The State has recommended a $10,000,000. federal appropriation. (- Christian Science Monitor, August 4)

Employment in the hat manufacturing industry is now 14.9% ahead of 1931, 22.4% ahead of last year, and only 7.8% behind the 1929 level, according to figures of the Code Authority for the Hat Manufacturing Industry.
(- New York Times, August 5)

Harry L. Hopkins aims to end the dole system by providing work relief for all employables during the coming winter.
(- United States News, August 13)

After 15 years of comparative inactivity, the system of interstate clearance of labor set up during the World War to shift skilled workers from one part of the country to another is again functioning under provision of the Wagner-Peyser Act to speed re-employment. Using this system, the clearance office of the State and National Re-employment services in New York State has recently referred applicants for positions to inquiring manufacturers in Pennsylvania, the West Indies, Louisiana, California, New Jersey, and Connecticut.
(- New York Times, August 12)

The City Housing Authority of New York City has completed a Real Property Inventory of New York. The results of the first analysis for the Borough of Manhattan reveal 28,331 non-residential buildings which house a day time or working population of 1,555,527 persons. The survey also obtained statistics on the number of rooming houses, hotels, loft structures, warehouses, commercial garages and retail buildings in different sections of the City.

(- New York Times, August 5)

Coincidental with the release date of the preliminary results of the Unemployment Survey in Philadelphia, an editorial complained: "There is an absolute dearth of accurate, up-to-date statistics on the most vital index of our social machine - employment. Without accurate unemployment statistics, the nation could ascertain the distribution of buying power almost as well by the ouija board. Today's exigencies demand that the Department of Commerce today set up means of registering accurately, at all times... How many men, women and children are at work; their hours and wages; how many aren't working, want to work or are capable of holding jobs; how many are incapacitated, physically or mentally.....The only intelligent way to prescribe relief for unemployment is through a complete FACT FINDING diagnosis - with an accurate index of labor conditions from top to bottom."

(- Philadelphia Record, Aug.14)

ANNOUNCEMENTS OF NEW BOOKS

"The Scandinavian Unemployment Relief Program." C. J. Ratzlaff. University of Pennsylvania Press, Philadelphia. 230 pp. $2.00

A study of the social machinery which has been set up to cope with unemployment and an evaluation of the experiment.

"After the Shutdown." Ewan Clague, Walter J. Couper & E. Wight Bakke. Institute of Human Relations, Yale University, New Haven, Conn. 153 pp. $2.00

A study of the adjustments of a group of employable workers, suddenly thrown out of their jobs by the shutdown of a subsidiary of the U. S. Rubber Co. Part I follows the workers for the first eleven months after the shutdown, a period of normal employment opportunities. Part II follows the same group during the two following depression years.

"Industrial Control for People." Ernest Wells Williams. Colony Publishing Co., Washington, D. C. 96 pp. $1.00

An explanation of the economics leading up to the National Recovery Act.

"New Careers for Youth:--Today's Job Outlook for Men and Women from Seventeen to Thirty-two." Walter B. Pitkin. Simon & Schuster, New York. 236 pp. $1.50

A practical, up-to-date analysis of the business opportunities today for young men and women.

"Labor Fact Book II." Labor Research Association. International Publishing Co., New York. 222 pp. $2.00

Recent and important facts covering the latest economic, social, and political developments as they affect labor on the American and international scene.

"Shadow of the Plantation." Charles S. Johnson, Professor of Sociology in Fiske University. The University of Chicago Press, Chicago. 215 pp. $2.50

A survey of the life and conditions of Negroes in the cotton belt, based on the study of 600 families.

"Uniform State Action: A Possible Substitute for Centralization." W. Brooke Graves, Professor of Political Science in Temple University. University of North Carolina Press, Chapel Hill, N. C. 368 pp. With maps. $3.50

An analysis of the scope, significance, and possibilities of interstate relations.

"British Public Utilities and National Development." Marshall E. Dimock, Associate Professor of Political Science in the Univ. of Chicago. Chicago Univ. Press, Chicago. 349 pp. $3.25

A description and analysis of the way Great Britain has handled some problems similar to ours.

"Dynamite: The Story of Class Violence in America." Louis Adamic. Revised Edition. The Viking Press, New York. Illustrated. 495 pp. $2.00

The new portion is primarily concerned with the accomplishments and failures of the labor movement in this country during the depression.

"Economics of Clothing and Textiles: The Science of the Clothing and Textile Business." William Henry Dooley. Heath & Co., Boston. 693 pp. $5.00

An analysis of the economics and business problems of this industry.

"Racial Contacts and Social Research." (Papers presented at the 28th annual meeting of the American Sociological Society, held at Philadelphia December 27-30, 1933.) University of Chicago Press, Chicago. 137 pp. $1.50

"Industrial Arbitration in the Book and Job Printing Industry of New York City." James F. Bogardus. University of Pennsylvania Library, Philadelphia. 105 pp. Gratis.

"Measured Characteristics of Clerical Workers." Dorothy M. Andrew and Donald G. Paterson. (Employment Stabilization Research Institute, Vol. 3, No. 1) University of Minneapolis Press, Minneapolis. 60 pp. $1.00

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THE UNEMPLOYMENT RELIEF DIGEST

A semi-monthly bulletin presenting in compact form the substance of recently published material concerning unemployment and the administration of relief.

State Emergency Relief Board

Department of Research and Statistics

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"Recognizing the Company Union" - George E. Sokolsky
Atlantic Monthly, September.

In this article sentimentality is given as the prime factor that dictated the phrase in Section 7a of the N.I.R.A. that employees be given the "right to organize and bargain collectively thru representatives of their own choosing."

The employed laborers sought definitely to avoid being swamped by a deluge of workers seeking jobs at a possibly lower rate than prevailed in spite of general conditions. Thus the first effect of the Act was to give the employed worker the opportunity and the right to establish a vested interest in his job and at the same time prevent the employer from hiring two men at one man's pay; it set a numerical maximum for re-employment in the conditions of the present market. Conscious of this danger, the Government sought to take up the surplus labor slack itself in establishing the C.C.C., the C.W.A., and the P.W.A.

The American Federation of Labor, presuming to become an arm of the Government, was checked by a change in the policy of the Administration. This changing policy frightened the workers who belong to company unions as well as disgruntling workers who belong to the Federation, and resulted in constant strikes.

In the beginning, the intent may have been to wipe out the company unions. This proved impractical, for the workers in the country's principal industries were not in the Federation. The Administration was faced with the dilemma of either forcing all workers to join the American Federation of Labor or of abandoning the fight on the company union.

In Italy and Germany, labor has lost the right to strike under a Fascist System, but Fascism guarantees to labor a social equality with capital by the system of class equalization in the corporate state. In Russia the strike is impossible because the government, theoretically, is a dictatorship of the workers. Under either Fascism or Communism the strike is an act of treason against the State. In the American Democracy, the right to strike and to picket has generally been upheld by the law and the courts.

The only point in common of the American Federation of Labor, the Communist Unions and the Company Unions is the preservation of the right to strike.

A substitute emergency measure, passed during the last days of Congress to replace the Wagner Bill, gives official recognition to the company union. On the other hand the right of employees to strike or engage in other concerted activities is preserved.

The American Federation of Labor can continue to call strikes. Employers may deal directly without outside interference. The Department of Labor goes on with its work as heretofore. Honest citizens can witness the spectacles of disputes and hearings. The maintenance of law and order remains with the local police and the courts.

In the case of the Weirton Steel Company the issue of the company union was clearly drawn. A poll of the company workers showed 9801 against a strike and 460 for it, 95% standing by the company union.

The American Federation of Labor could not break down the resistance of either the American people or the American worker to enforced organization, to a class struggle based not upon economic but upon social grounds. The company union has been legalized and strengthened because it is vertical in organization and because of the social relationships of capital and labor in American life.

The struggle of the future will be between the two types of vertical unions- the company union and the communist union. Both represent the same principle - that labor should be organized to speak for an entire industry, in all its parts, and not for merely a single craft in that industry. Both vertical unions represent the idea that labor action should be principally economic and not political. Both are similar in lumping together the skilled and the unskilled worker, in their opposition to the outside agent, the labor union wire-puller, and the racketeer.

They differ in that the company union represents an agency of our economic set up whereas the communist union devotes itself to the class struggle. The company union supports capital in the profit motive, the communist union seeks ultimately to confiscate industry in the interest of the proletariat.

This struggle is going on now, with the American Federation of Labor a political spectator, as it really was in the San Francisco general strike, protecting as best it can a very small percentage of American Workers. It seems probable a revised form of company union, less dominated by management but supporting it, will emerge as the victor in this contest.

A. S. H.

"Why We Still Have Strikes" - Questions by Henry Pringle; Answers by Senator Robert F. Wagner.
The American Magazine. September. 1700 words.

From the answers of Senator Wagner to questions that many people have been asking, we learn that workers are determined to have their share of returning prosperity. While true collective bargaining, in which each side gets a fair deal, should eliminate strikes, yet strikes will continue until wages are brought into line with prices, and the provisions of the N. R. A. are obeyed by both employer and employee.

Although the National Labor Board has been successful in settling by mediation almost 2,000 disputes, and more than 1,000,000 men have gone back to their jobs through the Board's efforts, the Board has no legal power to end strikes. It can only act as a mediator.

While the Administration is neither for nor against unionization, President Roosevelt is determined that every worker shall have absolute freedom to join a union, hence the opposition to employer-dominated company unions, crooked unions, and unscrupulous union leaders.

Senator Wagner favors Unemployment Insurance for permanent relief rather than the continuation of such institutions as the P. W. A. and C. C. C. He endorses the plan which provides a federal tax on the payrolls of most employers, to be handled, however, by the states.

In Senator Wagner's judgment men want jobs, not charity. Although the earnings of the working class as a whole have increased, it is estimated that about 10,000,000 people cannot find work. Of this number, probably 1,000,000 are unable or unwilling to work. While the white collar man has not been helped as much as men in some other groups, he will, in the future, receive a larger share than he has had.

Restoration of prosperity depends upon higher wages, and a more equal balance between wages and profits. Capital can only be useful again if higher wages, by increasing the purchasing power, react to the benefit of employee as well as employer.

A. G. K.

"Hours and Wages under the N. R. A."
The American Federationist. July. 600 words, 2 tables.

The N. R. A. has succeeded, in one year, with its fundamental intention to increase employment through a shorter work week and at the same time raise the rate of pay. Employment has steadily increased since June, 1933, yet the A. F. of L., possibly without regard to greater numbers and a greater need, feels that the individual worker had less income, in December, 1933, with which to purchase the necessities of life than he had before the inception of the New Deal; and further, that he is in no better position than he was a year ago. These figures are compared with those of a period in 1926. There are no definite figures on industry in general for the past year but the approximate figures available prove the above and show, too, that prices and profits have increased considerably since the summer of 1933. This cannot be said of the purchasing power of the worker.

The Federal Government, now taking care of the remaining 10,000,000 unemployed persons, has devised and put into effect many services, and employed a great many workers, whereas the industrialists have done only a moderate amount of revising. Even now the producer seems hardly concerned.

Whether or not a movement to spread work is the best plan, it is not the policy of the present program (N. R. A.), which leaves the need for a further reduction in hours and a higher hourly rate the items of prime import.

A. Q. P.

"Shorter Hours" - Dr. Harold F. Clark and Samuel F. Harby, Teachers College, Columbia University.
The American Federationist . August.

The system wherein no regulation exists inevitably results in the situation our country faces today. Nearly a third of the working class is unemployed while a majority of the remainder is working overtime.

Legislation for shorter hours has failed over a long period because legislation is limited by constitutional provisions.

Capital's arguments against shortening hours have been:

(1) The increased burden of cost is placed on the consumer.
(2) Labor will suffer from the necessary decrease in wages.
(3) Capital will flee when profits have decreased because of the cost of change.
(4) Foreign competitors will invade home markets and triumph over us abroad.

Labor argues now, that:

(1) Reduction of hours has always been accompanied by increased output per worker.
(2) Shorter hours, wherever tried, have resulted in improved health and increased interest in the work.
(3) Increased leisure would result in an improved social order.
(4) Labor must have both the time and the money to purchase goods.

It is obvious that as machines displace hands, and power production displaces human energy, each man will have to work less. Shorter hours are inevitable if we would avoid unemployment.

A. Q. P.

"The Forward View" - Alfred P. Sloan, Jr.
The Atlantic Monthly. September. 4000 words.

New ideas and new methods of enterprise developed by research will provide new products and new services which the public will come to accept in quantity, and we shall be on the way to a higher standard of living than the world has ever seen.

What capital and labor both need, however, at this time, is the birth of a new industry which, like the automobile industry twenty-five years ago, will grow swiftly to large proportions, with direct, beneficial effect on wages, investment values, and living conditions. One new industry that seems to meet these requirements is the manufacture and assembly of machine-made houses, which will provide standardized dwellings with very much the same development of materials and methods used in automobile manufacture and assembly.

Since progress in all lines is more or less related, and since the influence of automobile manufacture is already seen in the manufacture of houses, we can readily comprehend how the further development of highways, of trans-oceanic travel by air, of rail transportation, and large amounts of new equipment will absorb both unemployed labor and capital. At the same time, man will find that by better instruction in the art of living, he will live longer and have more leisure education and health.

We know that science is digging deeper every day into new realms. Therefore, industrial progress is limitless, if only there can be peaceful constructive cooperation of many groups and interests, chief among them being capital, labor, and government. For if capital and labor can agree on a reasonable division of the profits of their partnership, and if government can offer protection, then surely America can continue its industrial progress, and there will be another new day for industry.

A. G. K.

"Output of Work and Economic Well-being" - Erich W. Zimmerman
The American Economic Review. Vol. 24, No. 2 - June. 8500 words.

"National wealth tends to be proportionate to national expenditure of energy, in particular, mechanical energy." So some dogmatic technocrats contend. This statement being incompatible with fundamental tenets of price economics and not at all in accord with observable reality, calls for critical appraisal. The general nature of economic systems such as the use of capital equipment, the man-land ratio, dependence on outsiders, etc., condition the relationship between energy expenditure and economic well-being. The relative scarcity of a product materially affects the economic well-being of its producer. Some conditions may bring out a negative correlation between energy expenditure and well-being. The energy spent in the production of capital goods generally contributes to well-being only after a considerable lapse of time, therefore correlation figures on a one-year basis may be entirely meaningless.

"The American Economic Review" of March, 1933, carried an article by Professor Read of Columbia University, on "The World's Output of Work." In this article Professor Read furnishes estimates of expenditure of muscular and mechanical energy in thirty countries. These estimates, being expressed in horsepower hours per day, both in absolute totals and on a per capita basis, offer comparisons of energy expenditures of the various nations.

From these compilations Professor Read advances the thesis that a "close correlation exists between the output of work and economic well-being." The concluding sentence of the introductory summary is a terse expression of Professor Read's position: "A general relationship between work done per capita and economic well-being is observable; but a precise correlation is not yet possible." This statement seems to imply the eventual demonstration of this precise correlation between output of work and economic well-being. He gives two reasons why this cannot yet be done - "lack of complete and accurate data, and the failure of economists to furnish a definition of wealth precise enough for use on a slide rule."

Can the economist afford to ignore this challenge?

A. T., Jr.

"Beyond Relief: The Larger Task" - Harry L. Hopkins
New York Times Magazine. August 19.

Effective relief methods will eventually have to change certain present practices of our economic system. Complete reliance on cash income, peculiar to the city dweller, is his chief trouble when he loses his job. Since it is apparent that if a sizeable number of persons whom industry is now failing are to be again included in its benefits, adjustments such as decentralization must be effected. Big-city industries have given us much bad housing; small chance for recreation; no security; but both cash income and the company of fellow beings.

If we could provide the cash and the company along with room, air, sun, food, a back log and a root cellar against winter, the present methods of relief would be unnecessary. The goal is to balance small units of industry to provide some cash income in communities capable of yielding a pleasant existence on land capable of producing part of the workers' necessary food. The heavy industries seem logically centered on fixed points so that decentralization cannot be carried out. But in those industries where labor plays a more important part than materials and in which the maximum efficient unit is smaller than that so common today, decentralization can be carried out. Mechanical power is not an excuse for concentration since electric transmission lines already reach the majority of the smaller communities. A redistribution of work and better wages to the workers would redistribute and increase the market. The decentralization of industry would not only induce people to leave the congested areas but would provide a solution for people stranded without work because mills have moved away or mines closed down.

We have found that 36% of our total relief families live in rural areas, and this fact gives us the responsibility of insisting upon a reform in the use of land.

"When finally, if ever, we shall have attempted to cover each problem with an answer, we ought to find relief at the bottom of the structure rather than at the top. At the top should be industry and agriculture so geared to give the maximum employment and the maximum wealth in goods to each of its workers.

"Beneath the roof of private employment should be a permanent structure of public works, responsive to the increase and decrease of the private labor market and organized to contract and expand easily. The work done must have real social utility in addition to the fact that it creates jobs. This will be the big net under private employment designed to catch the workers dropped from industrial payrolls. Of finer mesh than this will be the social safety devices of unemployment and heatlth insurance.

"It is inevitable that there will be many to sieve through all these safety devices. These will be the unemployables and the social dependents. These social dependents have status and protection under the State laws and the Government must take care of its unemployables. We shall probably never be able entirely to dispense with relief but it can and should be relief with responsibility assumed by the people as a whole and administered for and by the people through their agencies of government Federal, State and local."

H. G. M.

"The Relief Business is Booming" - James Rortry
The Nation. August 22.

The agricultural and commercial business of the New Deal is not improving, so one must look to the F. E. R. A. to see real business activity, for relief is booming. The 45,000,000 families in the United States have an average income of only $12. per month, one-tenth of the amount needed. Therefore, the F. E. R. A. visualizes an endless line of consumers. All surplus commodities obtained by the F. E. R. A. will be passed out as supplementary relief to 20,000,000 applicants.

But the principles of the F. E. R. A. run in direct opposition to those of private business, which holds that one with an empty stomach must pay for the food consumed. The F. S. R. C. and the F. E. R. A. operate in an atmosphere of protest and conflict, for everything they do is denounced by private interest. Yet the encroachment of Government on business has been fragmentary and insignificant.

Up to June 30, the A.A.A. and the F.E.R.A., through the F.S.R.C., had purchased from 129,000 farmers a total of 1,872,000 cattle. On the farms there was a total of 6,208,000 cattle; the Government has purchased 19 out of each 62 head. About 260,000 were condemned and slaughtered. The remainder have been turned over to the F.S.R.C. for relief. Before the purchase program comes to an end next year, the Government will have purchased between 8,000,000 and 10,000,000 head.

The F. E. R. A. has taken over 250,000 bales of surplus cotton and has gone into the mattress business in 559 work rooms set up in 40 States. The commercial mattress makers voiced opposition. In fact, all commercial interest affected by the various S. E. R. A. projects have issued complaints. These projects include the canning of surplus garden products, the manufacture of furniture by unemployed furniture makers, and the encouragement of local self-help cooperatives. All these have gone far in challenging the failure of private business to employ, feed, clothe and house the population.

W. F.

"F. E. R. A. Notes" - Joanna C. Colcord and Russell H. Kurtz
Mid-Monthly Survey. August. 1400 words.

The Illinois E. R. C. obtained $300,000 from the F. E. R. A. to complete, with work relief labor, school projects left unfinished by the C. W. A. The F. E. R. A. found that 11% of the relief families transferred to the C. W. A. last winter did not renew their applications for direct relief or relief work when the C. W. A. closed. 6,472 family-relief cases were closed in May because of reemployment in regular industry; 2,620 were added because of new unemployment.

Five new blanket projects were approved to help the drought sections of Illinois. They cover handling and distributing feed and seed, drilling of wells, construction of roads, establishing canning centers for farmers, and relief operation of idle quarries for limestone to be used for fertilizer and bug eradication.

Kansas received $500,000 from the F. E. R. A. for water conservation, to be used in regular drought relief and work relief programs. The drought program includes purchase of famine-threatened livestock, provision of feed and seed, and a variety of works projects.

In Ohio, the new Ohio Surplus Relief Corporation is operating factories that are worked by the unemployed which furnish them with clothing and other necessities. The organization also intends to lease farm lands to rehabilitate rural families.

Los Angeles County has instituted the cash-relief system in two of its districts. Approximately 5200 families are affected. A typical monthly budget is that for a family of five which gets slightly more than $42. to cover the purchase of food, milk, utilities, rent and certain incidentals.

New Jersey opened a camp for unemployed clerical and professional women, to accommodate one hundred women between the ages of 25 and 45.

The Kansas E. R. C. has suggested to its local units that the county case supervisors develop classes in home hygiene and care of the sick in much the same manner as is outlined and operated through the American Red Cross. Unemployed nurses are to be used as teachers on a work-relief basis. A plan for home repairing is also being worked out in Kansas whereby persons working on their homes will obtain a 25% subsidy in materials, remission of rent from landlord, and other advantages.

W. F.

"Twenty Million on Relief"
The Nation. August 22.

There are some 20,000,000 persons of 5,000,000 different families on one form of relief or other, with 60% of the funds for relief coming from the Federal Government. This does not include the 2,000,000 farm families. The great bulk of this relief is in the form of work or in actual money. The amount of money earned or directly received is not sufficient to keep these families. Even in New York City, where social service is under the direction of a liberal Mayor, relief is insufficient, and some families recently had to be taken off the lists because of budgetary retrenchment. Although $135,000,000 a month is needed to administer relief efficiently, only $60,000,000 is being spent.

Industry re-employed only 1,000,000 persons under the NRA, and relief work is increasing to greater volume this year than last. In New York City there were 77,000 more families on relief in June 1934 than June 1933, yet funds are being cut all over the country.

Unless relief is put on a functional basis, the destitute will continue to increase. People are growing more and more conscious of their economic needs.

W. F.

"Mid-Decade Federal Census"
New York Times. August 5.

In a recent interview, Robert E. Chaddock, Professor of Statistics at Columbia University, stated that there is a movement under way among statisticians to request a mid-decade Federal Census.

Population movements from one area to another, due to the depression and recovery activities during recent years, make it difficult to estimate conditions or map recovery and economic policies. Professor Chaddock calls attention to the fact that, since the depression began, people have been moving from urban centers to suburbs or from cities back to farms, and former immigrants have been returning to their old homes because of economic conditions.

We are approaching a condition of stationary population, as is indicated by the declining birthrate and the fact that emigration exceeds immigration at the present time. Professor Chaddock estimates that this condition will be established by 1975 with a total population of 150,000,000. With a stationary population there will be more older people, possibly 30% being over 50 years of age, and another 10% over 65. Consequently, there is need for a new type of industrial and economic planning that will give a place to older people in productive circles.

"Our economic system has long been geared to a large increase in population, the necessity for providing for more people to feed, house, clothe and transport. With the dynamic factor of an increasing population removed, attention should be concentrated upon the existing market and upon distributing wealth so as to secure the proper buying power."

H. G. M.

"Social Insurance as the President Sees It" - As explained by Frances Perkins
Literary Digest. August 25.

Unemployment insurance is thriftier than a continued pouring out of funds from public treasuries. At present, almost 16,000,000 people are dependent upon the public for support. Above $3,000,000,000 has been expended by the Federal, State, and local Governments for relief and emergency work projects, and this is only part of the net social cost.

Cooperation between Federal and State Governments is the goal of the President. He would like the plan to be similar to the recent $90,000,000 Railroad Labor Retirement Act which calls for a 2% contribution from employees' salaries and 4% of total payrolls to be paid by the railroads.

Statistics reveal that this country has an increasing number of aged, due to the lengthening span of life. Twenty-five states have old age pension laws, and a year ago, more than 12,000 persons of seventy years and over were living on monthly allowances from funds so provided.

The eventual economy of various forms of social insurance has been demonstrated in European countries. "Austria has invalidity, old-age, widows' and orphans' insurance funds. Bulgaria has introduced invalidity and old-age insurance for the jobless. Denmark has set up an invalidity insurance fund. The Greek system is similar to the Austrian, while Hungary insures those in industry and commerce. Dutch employers assist invalids, the aged, widows, and orphans. Poland has instituted social insurance. Sweden cares for its own, while Soviet Russia has a fund to which employers only are forced to contribute."

G. R. W.

"A Workmen's Savings Fund Plan as a Scheme of Social Insurance" - Professor Paul Haensel, Northwestern University.
The American Federationist. August. 1400 words.

"A system of compulsory unemployment insurance ... is impractical. Since unemployment cannot be forecast with any degree of certainty it cannot be underwritten. The ordinary scheme of this type of insurance is, further, not attractive to the worker with steady employment because he makes contributions all his life and receives no benefit."

The plan here proposed is an attempt to solve the income problem for the unemployed through a savings fund built up by joint contributions of worker and employer. These contributions may be equal or proportional within definite limitations, possibly five to ten per cent of wages. Since the Federal Government has been the overburdened party in carrying the enormous relief load, it should be interested in contributing to the accumulated funds in the form of increased interest.

When the worker is unemployed and draws on the fund, the interest rate reduces itself. When the man returns to work, the fund gradually builds up again, and the worker receives a progressively higher rate of interest on his savings, so that it is a greater advantage to work steadily. The employer, too, should be very well satisfied as he can adjust wages in a ratio to the contribution he can afford. Lastly, there would be a provision to convert the fund into a pension or annuity at the age of retirement, or upon death, or in case of accident.

The fund, simple as it is, could be effectively administered by the postal savings bank system.

There would be a certain burden on the government, which might have to be met partially by taxation, but above all, there would be material aid to meet an economic crisis.

A. Q. P.

"The New Unemployment Act" - Graham White
The Contemporary Review. August. 3200 words

The new Act of Parliament to help the able-bodied unemployed who are not covered by insurance gives the Unemployment Assistance Board power to administer for the uninsured poor of Great Britain, and to cover all their needs, with the exception of medical requirements, including rent.

Mr. White contends that generosity to this group will undermine the present system of Unemployment Insurance, since those who have never paid toward it may receive equal or even greater benefits from the Government.

The new program sets up "a new and untried centralized poverty service with social as well as industrial functions between the Unemployed Insurance scheme on the one hand, and the Public Assistance Board and other local services which afford help to the needy on the other...

"For example, there are a multitude of families who are at present receiving outdoor relief to supplement their inadequate earnings. Under the Act, whenever the wage-earner or one of the wage-earners in these families falls out of work the family will be handed over by the P. A. C. to the new Board, and when the contributor to the support of the family falls into work again the Board will hand the family back to the care of the Public Assistance Committee, and so on. It is clear that in those districts where there is much casual labour, as, for example, in the large sea-ports, many families will be constantly oscillating from the care of one authority to the other."

G. R. W.

"Britain Debates Ways of Recovery" - John Rawdon
Current History. September. 1000 words.

British industrial recevery has been making steady progress. The question is, - will recovery continue until it has absorbed all the abnormal unemployment? The answer rests with world economic and political policies and events.

With the exception of the building industry, which constructed 266,000 houses largely by private enterprise during the year that ended in March, improvement thus far has been solely in the domestic field. Exports have increased, which is a good indication. Although many other industries are capable of providing employment, in the British mind the present industrial expansion depends upon international trade.

The Ministry of Agriculture seems to be of the opinion that dependence on trade can be diverted in the direction of self-sufficiency. Opponents to this system of planning fear that this would considerably disrupt the foreign trade which, at present, is decidedly essential. Therefore, the most important recent government experiments are in shipping and agriculture.

The quarter which ended March, 1934, totaled 1,409,089 recipients of poor relief, an increase of 40,117 over the December total.

This does not answer the question of recovery but it tends to show that the British Government is aware of its vital domestic difficulties.

W. F.

"Simple Faith from the White House Mail-Bag"
Literary Digest. August 25.

Many of the 30,000 weekly letters that deluge the Roosevelts are not unreasonable. "The depression has prompted a surprizingly large number of citizens who formerly were wealthy to put their cases before the White House ... Most of those applying ... for aid are proud, sincere, and genuinely suffering Americans, anxious to pull themselves out of their plight, and honest in their requests to the White House for means to accomplish that end. Unquestionably, the President's frequently asserted concern for the welfare of the ordinary citizen has evoked response."

"All such letters are referred to the correspondence division of the F.E.R.A. Each letter is acknowledged, analyzed carefully, identified, and handled in accordance with the emergency need as indicated by the correspondent. Much of the correspondence is handled from Washington direct, while other letters are sent to the State Emergency Relief Administration. Serious complaints, or critical individual situations, are investigated through State and municipal agencies cooperating with the F.E.R.A.

"When a letter is referred to a State relief administration, it is handled in one of several ways: it may be investigated by a field representative who reports to the State office; it may be referred to another State office; it may be handled by certain specified organizations not supported by public funds; it may be solved by a personal letter from the State Relief office, or by a form-letter informing the applicant as to relief or employment sources, where to register for C.C.C., or how to obtain new forms of relief."

Of course, there are some freak requests. These are referred to private organizations which have more latitude in the spending of their funds.

W. F.

"Jobs for Youngsters"
Mid-Monthly Survey. August. 200 words.

What has happened to job opportunities for young workers during the depression is pictured in a report of the Vocational Service for Juniors, located in New York City. Figures for 1929-1934 show a 40% increase in the number of applicants and a decrease of 81% in employers' orders at this office. The average number of times that an applicant comes back looking for a job increased from 2.3 in 1929 to an average of 3.5 times in 1933.

In the previous five-year period (1924-1929), 49% of the applicants were under sixteen years of age. In the next five years, this percentage was 24, dropping to 8.3 last year. The percentage of applicants having eighth grade graduation or less dropped from 63 in the earlier period to 39 between 1929-1934. For 1933, the percentage was 29; i.e., there has been a steady increase in the age and amount of formal education attained by each year's group of working children.

G. R. W.

"4 Cents an Hour - Grace Overmyer
Today. August 25. 2600 words.

Homework presents another and a very potent argument for needed uniformity in labor legislation. Although homeworkers are mostly women and housewives they include many children, girls, and young men. They belong to no union, but they do have several factors to fight for them:- First of all, there is the producer who can save money by employing those who work at home. (Their wages average from 4¢ to 14¢ per hour.) Secondly, there is the manufacturer who objects to unions with their unfair competitive advantages.

The "bootleg" use of this type of worker is enormously widespread. The law has not been too well enforced in the past. A federal survey is now in progress to determine the numbers, for previously there have been no definite figures available from any national institution. Since March of this year, however, the homework practice has been largely displaced by the N. R. A. This is variable over the states but the main stipulation applies. It reads that the work be paid for "at the same rate as in a factory," and that it be done only "by men and women incapacitated for factory work by reason of injury, physical defects, age, certain types of injury, or the care of a person who is bed-ridden or an invalid."

A. Q. P.

"How Modern Russian Women are Working" - Miss M. E. Walker
The Contemporary Review. August. 3500 words.

Although women workers, inspectors, and welfare agents are associated with every type of industrial activity in modern Russia, the vast majority are laboring in channels concerned with the improvement of the " physical, moral, and intellectual calibre of youth and womanhood."

"In Moscow there is a special department whose work it is to study all matters that appertain to the conditions of labour in factories or industries where women labour is utilised. Through its affiliated branches in every industrial building, it has the responsibility for all women workers in Russia; without its knowledge no woman can be dismissed from a post, and when a woman is dismissed for some misdemeanour or other, she is under the control of the officials of her particular section until another post has been found for her, when she automatically comes into the new section leader's line of control. Not only do women control the members of their own sex in commerce and industry, but they are given a large share in the control and supervision of the outlay, margin of profit, insurance of 'personnel' and goods, taxes that have to be paid by employers of labour, standard of goods sent out from factories, quantities of labour given to each individual, facilities given for apprentices to learn their trade, clubs attached to centres of industry, hours of organised recreation, and the facilities that are given for illiterate workers to master the rudiments of reading and writing."

More than half the medical students are women. A Social Service Section of nurses specializes in house to house visiting. "They report on all sanitary defects, contagious diseases and unhygienic conditions... No house, factory, shop or public building is exempt from their supervision. One of their great pieces of work is the campaign against prostitution, superstition and drunkenness. To combat this latter they have a special group of workers who organise communal kitchens on a gigantic scale, and by assuring that the workers have good food and drinks under control they claim that they have found the means of attacking drunkenness at its root, and that they will eventually succeed in stamping it out altogether."

"Female inspectors keep a wary eye on all the public baths and the laundries as well as the co-operative dwellings, and punish severely any one who is reckless enough to waste any of the public commodities."

Exceptional women are occupying posts "as factory managers, newspaper editors, financiers under state direction and heads of the various state departments devoted to the promotion of knowledge and social welfare." Even diplomatic posts are open to women if their qualifications are as good or better than those of male candidates. In the field of education, women are in practically complete control. The museums and libraries are staffed almost entirely with women of very good, all round education, who give lectures and conduct educational excursions.

"Thus it would appear to those who come into contact with the modern women in Russia, that the whole tendency in the country is to bring woman away from the home, to give to her the charge of all the branches of national labour which demand an honest and humane hand in control. That the Russian women is taking her work and her responsibility seriously there is no doubt whatever. She is reversing the accepted order recognized by the rest of the world, namely that man is the prime factor in local, departmental and national government, and as her strongest critics are compelled to admit, she is not failing to prove her case."

G. R. W.

"Drought"
(Radio Talk by Members of the Department of Agriculture)

There will be no immediate food shortage resultant from the drought. Including this year's crop of wheat, there will be on hand 781 million bushels, sufficient to prevent a price rise.

There will be a shortage of livestock. Of the 67,000,000 cattle in the United States, 7,000,000 will have to be slaughtered. The quality of meats will be lower than during previous years. This decline should produce its effects during the first five months of the purchasing season.

There will be a 3% or 4% decline in milk and milk products. Eggs will show a decrease in numbers. Fruits and vegetables will list an appreciable decline in the drought area. Many farmers are purchasing canned fruits and vegetables for their winter supply. There will be no shortage in other sections of the country. So far this year, there has been a one-seventh larger output of canned goods than there was in 1933, but the drought will produce its effects upon seasonal employment in the fruit and vegetable canning industry. There will be an intensification of fruit and vegetable growing during the next planting season.

There can be no reason for price advancements in other living costs. Nevertheless, it is reasonable to expect a small rise in all directions.

Because of the elimination of surpluses, there will probably be higher price levels, and higher earnings for the farmer next year.

No one can predict yet just how great an effect this situation will have on business and industrial activity.

W. F.

"The Wages of Charity" - Lucile Grebenc
Forum. September. 2500 words.

"Charity is no longer a virtue; it is a vice. From its original function as an emergency measure employed in worthy causes, it has deteriorated into a festering habit or commercial enterprise."

The author expresses herself in the above manner following receipt of a shower of begging letters from all over the country as an aftermath of an interesting experiment on a small farm in Connecticut where she raised all food needed for her own sustenance.

"In society a minority constitutes a leaning post and a majority, the leaners. One's welfare depends on one's self; and the sooner the individual realizes this and admits it, the sooner he will learn to solve his own problems.

"But those who possess or who have developed the faculty of solving their own problems are usually called upon to solve those of the less efficient, the less dependable, the softer members of their society. And an altruistic responsibility toward these inadequates has become so ingrained in the social consciousness that, if its value be questioned, or its execution refused, the guilty party is set down as uncharitable, unkind, inhuman, indifferent. And thus a great many admirable people give against their personal convictions, against their better judgment, against their conscience, and beyond their genuine ability to afford the gift, simply to avoid this undeserved but threatened stigma."

C. F. K.

"A Social Audit of the New Deal" - H. W. Kendall
Rotarian. August. 2000 words.

"One of the most wholesome developments of the New Deal is the indication that America is thinking and asking about the cost of recovery."

March a year ago, immediate action was imperative. Now that the crisis is past, the patient needs transfusions of credit to continue recovery.

The failure of private enterprise has forced the extension of government credit. Now America is paying not for war, not for profit, not for Insull empires, but for solid, substantial benefits. Actually, the nation is paying for past mistakes.

J. F. H.

EXCERPTS FROM THE NEWS

The National Industrial Conference Board estimates that the total employment figure for all occupations in June, 1934 was 42,353,000 which shows that the number of employed has increased considerably since March, 1933 when the total was only 38,675,000. Their estimate of those employed in April, 1930 was 45,645,000. (-New York Times, August 26)

Secretary Perkins reports for July a drop of 339,000 workers and $10,460,000 in wages as compared with the June totals. The resultant percentages, above the average decline normally occurring in July, are partially accounted for by seasonal factors, labor disturbances, drought and extreme heat. However, it is estimated that 1,300,000 more workers were employed in July, 1934 than in July, 1933, with total weekly wage disbursements for July, 1934, $41,000,000 greater than for the corresponding period in 1933. The anthracite mining industry shows a decrease of 5,600 workers. In retail trade, employment reductions amount to approximately 59,000 workers. During this same month, the F. E. R. A. employed 1,200,000 workers. Gains in employment from June to July were shown in twenty manufacturing industries, and increased payrolls were reported in twenty-one. Higher employment figures were shown in ten non-manufacturing industries and payroll gains in eight.
(-New York Times, August 18)

Comparative figures for June, 1933 and June, 1934 show a 37.5% increase in wages in manufacturing industries. The average work week for the latter period was 37 hours, with average wages 55.2 cents per hour, an increase of about 26%.
(- York Gazette & Daily, August 27)

William L. Austin of the Census Bureau states that, according to their importance as employers of labor, the leading industries are: cotton goods, steel works and rolling mill products, foundry and machine shop products, steam railroad repair shops, knit goods, and lumber and timber products. These six industries employed nearly ¼ of all the wage-earners reported for 1933.
(- New York Times, August 27)

Information gathered from governmental departments and correlated in his report to the President by Mr. Donald R. Richberg, Executive Secretary of the Executive Council, indicates that: (1) There were 40,180,000 employed last June; (2) Work has been reduced approximately six hours, to average 37 hours per week for all industry; (3) A peak of 700,000 men at work on P. W. A. construction sites will be established in September.
(- Christian Science Monitor, August 27)

For seven weeks the people of Kentucky have been paying a sales tax of three cents on every dollar's worth of retail purchases, the tax funds being used for relief purposes. The tax has already become a political issue, and also the cause of some law suits now pending. The bill which established it was passed over strenuous opposition from the State press and from retail merchants. (- United States News, August 27)

More than 60,000 women now on direct relief will be employed on the F.E.R.A.'s project to utilize 250,000 bales of surplus cotton in mattresses for poor families. (- New York Times, August 19)

The C. C. C. has reached its peak enrollment of nearly 400,000 men and a monthly payroll of $15,500,000. The personnel is comprised of 15,500 expert foresters, technicians, and construction foremen; 6,400 reserve Army and Navy officers; about 1,100 school teachers; and 359,000 young men of miscellaneous or no vocational affiliations.

(- United States News, August 20)

A new program, which has been approved, calls for the construction of 350 new winter C. C. C. camps, reconditioning 300 additional camps, and repairing a number of others, so that the total will accommodate 345,000 men for a six-months' enrollment beginning October 1st.(- New York Times, August 20)

Itemizing the direct employment created by the railroad loan program, Mr. Ickes reports: (1) 20,533 railway shopmen employed in the shops of fourteen roads to which the P. W. A. made loans totaling $51,905,043 for repairing and rebuilding old cars and locomotives and building new ones in their own shops; (2) 35,902 trackmen and other classes of outside railway employees working on right-of-way improvements being made by nineteen railroads as a result of $77,075,957. in loans made by P. W. A. to finance those improvements; (3) 13,625 men employed in the shops of locomotive and car-building companies which have received orders for new cars and locomotives as a result of P.W.A. loans totaling $61,969,500. to eighteen railroad companies for new equipment.

(- Baltimore Sun, August 26)

The Census Bureau reports the following data on employment in retail stores during 1933: The number of proprietors actively engaged in their own stores decreased 11%, but there was a 20% increase in the number of part time employees with an increase of 43% in part time payrolls, indicating that stores finding it necessary to dispense with their usual number of regular employees replaced them with some part-timers and employed the latter a greater proportion of time than in previous years. The average full time wage was $857. whereas, in 1929, it had been $1,257. A greater proportion of women worked in retail stores last year. They constituted 38% of the total number of employees, a 3% increase over the 1929 ratio. (- York Gazette and Daily, August 21)

The Bureau of Agricultural Economics, Department of Agriculture, announces that after three years of deficits, American farmers as a whole realized a return of 1.9% on their capital in 1933, compared with a loss of 4.2% in 1932.

(- Baltimore Sun, August 26)

The American Institute for Food Distribution contends that, despite the drought, the total cash income of American farmers for the year beginning June 1 promises to be substantially larger than during the preceding twelve months. Higher prices in the value of all foods should more than balance the loss from reduced production. Moreover, many farmers who have no crops to sell will nevertheless be paid for part of what they might have raised because of their contracts with the A.A.A. Furthermore, the geography of the drought shows that it affected much thinly populated land and affected no more than 5,300,000 people, 17% of our entire farm population.

(-Editorial, New York Times,August 16)

Western farmers are taking an optimistic view of their economic future, encouraged by the arrival of wheat and corn-hog allotment checks, recent rains, and the promise of employment as a result of the Housing Act.
(- New York Times, August 26)

Italy has started a radical plan to reduce unemployment. One point in their program is the rotation of labor, including skilled as well as unskilled labor. In Rome, the rotation of hours of taxicab drivers has already been in effect for some time and is said to have removed most of that class from the lists of idle. Other points include the reduction of working hours to absorb the greatest possible number of workers without impairing production, the abolition of all overtime and holiday labor except in cases of absolute necessity, discipline to prevent individuals producing above a fixed limit, discipline over machine labor to lessen the burden on the individual and supply as many workers as possible per machine, and discipline over all mechanical devices on the same principle, which might be interpreted to mean more wheelbarrows and fewer trucks. Salary adjustments will have to be made without increasing production costs, to avoid interference with the campaign now going on to reduce prices. Most plants have been running below capacity. It is hoped that increases due to administrative and insurance costs may be compensated for by an increased speed of production and increased markets through lessened unemployment.
(- Baltimore Sun, August 19)

William Green made clear that the A. F. of L. will oppose any reorganization of the N. R. A. which will transfer power from the Federal Government to private industry. (- New York Times, August 16)

Here are some of the accomplished facts since the first homesteaders started work April 11 in Westmoreland County: - On the 700 acre cooperative farm there are 5000 chicks, 200 tons of hay in the barns; there will be 1600 bushels of wheat stored away, and 1900 cans of vegetables have already been put up. There are 122 homesteaders so far. Work will soon be concentrated on the task of building 135 houses by next March. 27 basements have been excavated since June 25. (- Christian Science Monitor, August 20)

More than 16,000 homes in Pennsylvania have been saved from the sheriff's hammer by the Federal Home Owners' Loan corporation. This figure represents less than one fifth of the total number of applications.
(- York Dispatch, August 28)

40,000 unemployed teachers are to be used in the F. E. R. A.'s educational program in an attempt to eradicate, except among the unteachable, the illiteracy which was estimated a year ago to be borne by 4,000,000 persons; to reach those whose requirements are not included in state educational programs; and to educate, especially, adult workers now unemployed. In addition to literacy classes will be vocational training courses which include trade, industrial, and commercial education, home economics, agriculture, and counsel for better vocational adjustment. The adult education phase will include parent education, avocational training, hobbies and handicraft training, general academic, informal, and cultural education. The workers' educational classes will be discussion groups under the direction of especially trained teachers.
(- New York Times, August 16 and 17)

During this summer the Government supported teacher training groups at sixteen colleges in various parts of the country to prepare unemployed teachers to conduct classes in the F. E. R. A.'s adult education program. Their training stressed the need for humility and concern with the welfare of the worker as worker. Their pupils, who have had many hard lessons and considerable experience in shops and factories, will not come to be made over in the image of the instructor. They already know what their real interests are. All the teachers can hope to do is broaden their horizons and correlate their daily labors with the larger aspects of social, economic, political, and cultural things in the world. (- "Educating Workers" by Victor Rine, New York Times, August 26)

More than 2,500 jobs have been found for the students in New York State's free adult day education project during the past year through the placement guidance activities of the State Education Department. 70.3% of the students interviewed with definite placement in mind were found eligible for jobs. The dance, music and drama center of the adult education project has placed 1,924 students during the last year, and the technical, professional, and other branches have placed 250 students since May 1. (- New York Times, August 19)

New York City spends $201,000,000 in a year to feed its needy. With every tick of the clock $6.37 is doled out in food, home and work relief, clothing and lunches for undernourished children. Approximately 400,000 families are on relief. (- Christian Science Monitor, August 27)

Mayor LaGuardia's committee on taxation from the municipal assembly suggests turning to lotteries and business taxation for the funds which will have to approximate $50,000,000 to meet the winter relief bill. The committee's proposals include a tax of ½ of 1% on all business in the city grossing more than $5,000 a year. Lotteries would be operated with drawings every three months, the tickets costing $2. or $2.50 apiece.
(-Christian Science Monitor, August 22)

William Hodson, chief relief administration officer of New York City, admits that probably 5,000 persons there are receiving relief either fraudulently or without justification, although all recipients of home relief are checked twice a month, and those on work relief at least once a month.
(- New York Times, August 28)

The large banks of New York are not going to let the city default on its unemployment obligations even if a tax measure is not enacted to meet the needs of the city's 1,600,000 destitute before the exhaustion of relief funds September 1. The bankers have stepped forward with the assurance that relief money would be forthcoming on the mere promise of the administration that a tax measure to take care of the loan would be enacted.
(-Christian Science Monitor, August 28)

1,000 gallons of canned fruit, condemned by the U.S.Pure Food, Drugs, and Insecticides Bureau as unfit to eat and likely to cause violent gastric disorders were being distroyed by blazing gasoline in a Philadelphia dump. Braving the fire and the threatening pistol of a U.S.Deputy Marshal, hunger-crazed "squatters" of the neighborhood attempted to rescue poisoned prunes, and some succeeded. (- York Dispatch, August 16)

ANNOUNCEMENTS OF NEW BOOKS

The Migratory Worker and Family Life by Marion Hathway.
University of Chicago Press, Chicago. $1.50

The mode of living and public provision for the needs of the family of the migratory worker in selected industries of the State of Washington.

Miners and Management by Mary van Kleeck.
Russell Sage Foundation, New York. 391 pp.

An intensive study of union-management cooperation in the Rocky Mountain Fuel Company, under Josephine Roche, with a tabulation of measurable results, followed by a brief survey of the coal industry as a whole.

Education in the Recovery Program.
Reprint #1 from School Life, the official organ of the United States Office of Education. 10¢

A clear, factual picture of the impact of the Recovery Program on education, from nursery schools to adult classes, and including the place of the New Deal agencies in the scheme.

The Chance of a Lifetime by Walter B. Pitkin.
Simon and Schuster, New York. $2.00

A program for rehabilitation of the generation lost in the depression.

The Employment Exchange Service of Great Britain by T. S. Chegwidden and G. Myrddin-Evans. Industrial Relations Counselors, RKO Building, Rockefeller Center, New York.

An outline of the organization and its functions.

Trade Associations and Industrial Control by Simon E. Whitney.
Central Book Co. 211 pp.

A critical analysis of the N. R. A.

Education and the Worker-Student by Jean Carter and Hilda W. Smith. The Affiliated Schools for Workers, 302 East 35 Street, New York. Pamphlet.

A study of the methods, technique and aims of the Workers' Education Movement of the F. E. R. A.

Government Rules Industry by Michael F. Gallagher. Oxford University Press, New York. $2.00

A survey of the organization and work of the N. R. A., written for the general reader.

NRA from Within by William O. Thompson and Mary van Kleeck. International Pamphlets, 799 Broadway, New York. 5¢

Including an article on "The Communist Position" by Earl Browder.

The Anti-Slum Campaign by Sir E. D. Simon. Longmans. 201 pp. $1.20

A history of post-war housing in England, and an analysis of the current problem, written to oppose the group which would stop the building of houses with the aid of national subsidy.

Medical Service in Industry and Workmen's Compensation Laws by M. N. Newquist. American College of Surgeons, 40 East Erie Street, Chicago. Pamphlet.

Findings and recommendations designed to improve the care of the ill and injured in industry.

The British Trade Disputes and Trade Unions Act, 1927. The National Association of Manufacturers of the U. S. A., 11 West 42 Street, New York City. Pamphlet.

A summary and text of the act.

Vol. 1, No. 5 September 17, 1934

THE UNEMPLOYMENT RELIEF DIGEST

A semi-monthly bulletin presenting in compact form the substance of recently published material concerning unemployment and the administration of relief.

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"Whose Child is the NRA?" - John T. Flynn
Harpers Magazine. September.

The past weeks have witnessed many strictures of the N. R. A. The "regimentation" of American Industry by sovietized "Brain Trusters" has been repeatedly denounced by prominent conservatives. The problem of N. R. A.'s parentage has been somewhat befogged so that an investigation of all the "gentlemen who were known to have been hanging about, or frequenting the birthplace within the significant period preceding the parturition" is desirable.

The N. R. A. has been called the Charter of Labor, the Magna Charta of business, and a few other things; but the question of whether or not it is a charter of anything at all can only be settled by finding out who were the gentlemen who drew up the charter.

After many interviews and much correspondence, the author has discovered the names of some of the more important actors. The Berles, Tugwells, and Moleys are not assigned important roles but H. I. Harriman of the U. S. Chamber of Commerce, Gerard Swope of the General Electric Co., P. W. Litchfield of the Goodyear Tire and Rubber Co., etc., in the beginning, at any rate, were prominent figures. At that time, the leaders of American Industry were offering plans for the salvation of our economic life - mostly plans involving regimentation. H. I. Harriman in October, 1931, said:

"A freedom of action which might have been justified in the relatively simple life of the last century cannot be tolerated today, because the unwise action of one individual may adversely affect the lives of thousands. We have left the period of extreme individualism and are living in a period in which national economy must be recognized as a controlling factor."

All this was prior to March, 1933. The real beginning was a bill introduced by Senator Black of Alabama that provided for a thirty-hour week in industry. Without the President's blessing, it made surprising progress through the halls of Congress. The alarmed captains of industry hurried to Senator Black and explained that they were really interested in the same ends, only they felt that a grant of power to industry rather than an inflexible statute was the proper means.

In the meantime, another group, led by Senator Wagner of New York, was active. "It included an odd assortment - Meyer Jacobstein; Virgil Jordan, then with the McGraw-Hill business papers; Congressman Clyde Kelly of Pennsylvania; Harold Moulton; Fred I. Kent, vice-president of the Bankers Trust Company; David Podell, a New York lawyer; Simon Rifkind, Wagner's secretary; Colonel Rorty; Jett Lauck of the Railway Brotherhoods; and James Rand, president of the Remington Rand Company, the man who introduced Dr. Wirt to immortality."

A variety of plans were offered and finally welded together into a bill which provided for public works, recognized trade associations, permitted regulation of production, forbade price cutting, etc. The Department of Labor inserted a clause guaranteeing the right of labor to bargain collectively.

Still one more group was busy doing its bit toward the solution of the industrial problem. It represented the liberal planners of the Soule-Chase-Beard school of thought. They were chiefly interested in regulation of profit, minimum wages, etc. They accomplished little and finally joined the Wagner meetings.

In the meantime, the President had let it be known that he did not favor the thirty-hour bill; Warburg had made a report to Moley; and two new figures had appeared on the scene: Donald Richberg and

General Hugh S. Johnson. General Johnson, who had through Bernard Baruch become a campaign advisor to Governor Roosevelt, wrote a draft of the bill that was remarkable for three things: its brevity, its lack of any reference to collective bargaining, and its licensing provision.

The labor section, which was inserted by the Labor Department, had a troubled career. It suffered at the hands of Donald Richberg, the friend of labor, who unwittingly guaranteed the open shop.

The bill finally reached Congress and was passed. The author says that he is "reliably informed that Mr. Harriman told his directors that it was a complete victory for the Chamber." (Chamber of Commerce)

In conclusion, business was probably satisfied with the principle of self-rule but is still afraid of the sections on collective bargaining. "Business, therefore, wants to 'save what is good in the N.R.A.' and get rid of the rest. Of course we know what is good from the business point of view."

W. E. O., Jr.

"What's Blocking Recovery?" - Thomas F. Woodlock
The American Magazine. September. 2400 words.

Eighteen months ago a threefold job was started - that of relief, recovery, and reform. The relief job, as a whole, was done well and can be continued as long as necessary. But the problems of recovery and reform led to an impasse which has not yet been overcome.

To understand this impasse it is necessary first to consider the nature of the reforms. They advocated a more equitable distribution of the national income between capital and labor; taxation of large incomes and fortunes with the idea of making the accumulation of wealth more difficult; the curtailing of the power of capital to dictate terms to labor; the restriction of the freedom of capital to mobilize and organize itself for enterprise; and the bringing of business activities under closer governmental regulation.

The impasse came when reform ran up against recovery, or the restoration of normal employment.

The March estimate of unemployment was 9,350,000. Of these, 5,317,000 were in the producing industries and the remainder in service occupations. In the producing industries group 581,000 were classified as producers of consumption goods - that is, articles which are consumed or destroyed quickly such as food and clothing. Producers of durable goods such as buildings, machinery, roads, etc., numbered 4,736,000 among the unemployed.

By last March a substantial recovery had been made in the consumption goods industries. However, 85% of the unemployed of the entire producers group was in the construction and durable goods class.

The reform job, by restricting and regulating capital, has had the effect of discouraging investment of capital in the production of durable goods. Recovery depends upon a revival of the spirit of confidence in the owners of capital, leading them to resume the normal creation of capital or durable goods.

Recovery, or normal employment, under private enterprise, can be had, plus as much reform as is compatible with private enterprise; or revolution may be had with some kind of collectivism as a substitute for recovery under private enterprise. It is the former which is professedly being attempted; it is the latter which private enterprise fears is being created.

T. L. P.

"How Stable is Recovery?" - Maxwell S. Stewart
The Nation. September 12.

At first sight, Donald R. Richberg's statement listing the gains achieved by the national recovery program is impressive. The facts are accurate and fairly representative. Approximately four million more persons were employed in June of this year than in March, 1933. Total payrolls in the manufacturing industries were 37½% higher than in June, 1933, as against an increase of 9.6% in the cost of living. Business failures have registered a sharp decline, while the index of corporation profits has risen from a deficit of 6.9 in the first quarter of 1933 to a profit of 32.2 in the second quarter of the present year.

That the United States has enjoyed a substantial measure of recovery is indisputable. But instinctively most of us recognize that there is something drastically wrong with these figures. We know from personal experience and that of acquaintances that the recovery is by no means as great or as general as is claimed.

Mr. Richberg chose June as a basis for his comparison, although, judging by such indices as are available, the recession which started in May continued its progressive decline through August. At the close of the latter month, the steel industry was operating at 19% of capacity, the lowest mark for well over a year, while car loadings were likewise at their lowest ebb. It is probably true that Labor Day found business conditions as a whole at a point as low as, or somewhat lower than, last year at the same period.

Even at the peak of production last Spring, American recovery was less than that of a number of foreign countries whose domestic policies differ widely from those of the United States. Three of these - Great Britain, Sweden, and Japan - have surpassed the 1928 level of production, while Germany, France, and Canada are all well in advance of this country.

This fact alone is sufficient to raise substantial doubts regarding the stability of the entire recovery movement. Devaluation of the dollar, the restriction of crops, and the increase of wages under the codes were all justified by the Administration's theory that once the upward swing of the business cycle is started by "priming the pump," the process will become virtually automatic. The author questions whether business revival can be achieved by this technique and wonders if we have not delayed the natural flow of recovery by tinkering with the mechanism.

In many respects the national economic structure presents a more balanced picture today than it did a year and a half ago. Farm prices are nearer 1909-14 purchasing power parity. Wholesale prices have increased more rapidly than retail prices, while the depreciation of the dollar has lessened the real burden of indebtedness. Wage earners of the lowest category have enjoyed a more substantial rise in income than those in higher brackets, and the prevailing income has been more widely distributed.

Many features of the recovery process, however, appear to be basically unsound. The first of these is excessive governmental expenditure. Much more disturbing is the evidence that great numbers of the population have actually lost ground during the past year. The growth in the number of families on relief indicates a continued deterioration of conditions in the lowest stratum of society - now numbering one sixth of the entire population. One is forced to conclude that the purchasing power of the urban population has failed to keep step with the rising prices. This hypothesis is confirmed by the evidence of lower consumption throughout the country, particularly in the large cities.

Additional evidence of the reduction in living standards is found

in the cultural field as is shown by the decreased expenditure for education and recreation. Thus, added to the paradox of want in the midst of plenty, we have that of declining living standards in a period of economic upturn.

Perhaps the most substantial ground for questioning the stability of American recovery is the fact that it has not been accompanied by a corresponding improvement in international trade. Measured in terms of gold, the decline has continued unchecked since 1929. Recovery in the United States has been almost entirely dependent on domestic forces. Among these has been the need for replenishment of stocks, replacement of capital goods, fear of inflation and increased federal expenditures.

According to certain of the radical economists, the root of instability in the present economic system lies in the tendency for capital accumulation of outrun investment. This surplus was disposed of in the years prior to the depression by large-scale foreign investments. But with the breakdown of the international financial structure, foreign investments have practically ceased. As a result there has been not only a catastrophic decline in our export trade, which in itself has serious deflationary effects, but an addition to the accumulation of idle capital which represents "frozen" purchasing power. Depreciation of the dollar tended to alleviate this situation temporarily by throwing our export products on the world market at bargain prices as well as by protecting the domestic market, also temporarily, against the deflationary influence still operative throughout the world. But it did so at the expense of international recovery, and through the reduction of living standards in the United States. Meanwhile, by stimulating business profits the New Deal appears to have intensified the mal-distribution of wealth as between profits and wages, and thereby aggravated the fundamental cause of instability.

The author contends that under the profit system only one road to recovery has been charted. That is through the reestablishment of a functioning international economic system, which implies a reduction of trade barriers, the stabilization of currencies and the resumption of foreign lending. He questions whether this type of program can be reconciled with the present apparently irresistible trend toward planning and control.

S. M. G.

"President's Course Questioned Abroad" - B. C. Forbes
Philadelphia Inquirer. August 22.

The Royal Bank of Scotland published in its July circular an article upon American recovery and the President which reflects the European viewpoint. They believe that the New Deal goes half way along the road to a new and lasting recovery, but that we, as well as they, are wondering what the outcome of it all is to be. Results of the New Deal have fallen far short of what the Administration foretold. The recovery program, relief, and reform have left confusion in the European mind. They feel that it lies within the power of the President to shorten the period of transition by giving business more encouragement. The alternative is to abandon the idea of relying on business and have the Government extend its influence into every department of social and economic activity. They do not believe that the President has any Sovietized ideal but that, if he retains his personal influence over the American people, many questions now asked will be answered in the near future.

W. F.

"But Is It a Surplus Economy" - Robert R. Doane
New Outlook. August.

We habitually think in terms of the "economy of abundance. . . A canvas has been hung before our eyes - covering the real needs in the distance - portraying a beautiful Utopia; a canvas which has served to blur the real landscape as it presents the distorted, synthetic concepts of innumerable well meaning, although romantic and exaggerated imaginations." This concept has reappeared at regular intervals in modern history but has become particularly significant since the time of Rousseau and the advent of modern democracy. If this surplus exists and if "all men are created equal," why poverty? Marx and his disciples wove the "surplus economy" idea into the pattern of scientific socialism, and since then anarchists, socialists, single taxers, communists, technocrats, and others have used this assumed surplus as an effective argument against a system that permits poverty.

The author of this article, Robert R. Doane of the National Survey of Potential Product Capacity, questions the existence of the abundance we have assumed. Using the United States Department of Agriculture estimate of yearly per capita food requirements, he finds that during the boom year of '29 we lacked 13 billion quarts of milk, 1-1/3 billion pounds of citrus fruits and tomatoes, 12 billion pounds of fruits and green vegetables, 2 billion pounds of meat, 2½ billion pounds of sugar, and 13 billion eggs. Our housing is now so inadquate that it "will take the American people 15 years at an annual outlay of 10 billion dollars to bring our housing facilities up to a reasonable level. One fourth of our houses are without bath tubs, 14% are over-crowded, while almost half of our homes are still heated by stoves." After we have fed and housed ourselves, the third great essential is clothing. In 1929, the "capacity on a plant basis was barely able to supply a fraction less than a single new suit of clothes for each male." As for the actual supply, the males had less than one third of an outer garment per capita, and the females one half of a garment.

We need more electric power and better transportation facilities and an additional 40,000 miles of surfaced highways. At the present time, we must import huge quantities of drugs, metals, and spices.

This article is the first of a series on the results of the National Potential Product Capacity Survey. They should make interesting reading for technocrats.

W. E. O., Jr.

"The Rise and Fall of Industrialism" - Herbert Shove
The American Review. September. 8000 words.

Industrialism is commonly confused with modern scientific technique. The Industrial System is not essentially a matter of technique. It is that system wherein society is dominated by the idea of exchange for gain.

The author takes us back to medieval England and traces the rise of industrialism through landlordism and squirarchy, through buccaneering and pioneering in foreign export and import to the present day England, highly specialized and highly commercialized. He discusses the struggle between the landlords, the squires and the traders in the race for wealth - a race which made England a nation of manufacturers, dependent on the outside world for their food - a race which made England practically machine perfect. Unless the market can be kept constantly expanding, this must mean unemployment and consequent misery which can be alleviated only if new

industries can be established capable of absorbing the machine-displaced workers.

This presupposes an adaptibility in the worker only possible if practiced skill is discounted and labor is reduced to a dead level of unspecialized machine-minding. The natural consequence of this must be a tendency to equalization of wages at the lowest possible level. If markets do not expand there will be an inevitable glut as "machine-facture" develops. Thus there is a constant pressure outwards from the "machine-facturing" center into hitherto purely "peasant" countries. This opens new, quick transport thereto, and also into the fertile wilderness, by settling "surplus" population displaced from, or bred of the crowding in, industrial regions. The "lone" farmer of the "Golden West" could seek much more land than he could harvest. This has been increasingly counterbalanced by the substitution of the machine for the man in agriculture as in manufacture. The mechanization of agriculture, with its seasonal time limits, is entirely labor substituting or, as it reaches countries where labor exists in adequate supply, labor displacing.

Now the fertility of the prairies and other virgin soils is not inexhaustible. Sooner or later, a proper rotation and feeding back of fertility becomes necessary. There are great tracts of abandoned, exhausted land in America today. The ultimate end of expanding industrialism is thus the progressive devastation of the fruitful earth. It is a system of living on capital, an attempt to reap where one has not sown to satisfy the "greed for gain." Man is not being destroyed by machines but by the base folly of men which has distorted machines into engines for the destruction of their fellows.

The tendency of industry today is to an ever-progressive change of fashion - "new season's models," etc., - and the cheap production of articles designed to wear out quickly so as to require constant renewal. This cheap, shoddy manufacture of the inessential is the lifeblood of later industrialism as we see it today. It naturally tends increasingly to discount personal skill in ordinary workers by substituting the mass-produced rubbish for the craftsman's lasting work.

"The back-to-the-land movement today is in danger of being turned into a mere attempt to produce more home-grown food by the application of 'up-to-date' mechanical methods on the land. These methods mean the employment of a smaller and not a larger proportion of our man-power in primary production. It is quite clear that we must immediately create a trend, not merely 'back-to-the-land' but 'back-to-the-hand.' Where the balance will be found, even here, is not a matter for dogmatism. Obviously, we shall stop far short of the cave-man scratching the earth with a pointed stick. He could never support a real culture. Equally obviously, we cannot make a great community free and happy if it is dependent for its vital needs on half-a-dozen men who, because they control the half-dozen machines that tear up a whole depopulated countryside, can dictate its very activity by the threat of starvation."

Balance is the secret of human organization. The equilibrium is very unstable and it is the function of the publicist to shift the weights as needed to preserve it. The dominance of the commercial idea has upset it. The one vital thing required to restore it is the shift of more men into the countryside and the prevention of their being there "eaten" by machines.

A. T., Jr.

"Nobody Can Bat for the Boss" - Arthur Van Vlessinger, Jr.
Factory Management and Maintenance. August. 1500 words.

The author relates the results of an interview with Mr. Slusser, Vice President of the Goodyear Tire and Rubber Company, on the subject of the responsibility of management to maintain proper relationship between employees and employer. According to Mr. Slusser, the major objectives of a well conceived program of industrial relations should include the following items: first, a reasonable assurance of steady employment; second, definite promise of a fair scale of compensation; third, access of the employees to the management, direct or through employee organizations; fourth, working conditions that are at once satisfactory to the employee and within the means of the employer; fifth, assurance that faithful service when terminated through no fault of the employee, (whether by old age, injury or disability), will give him at least a living for the rest of his days, and the same for his dependents until they can shift for themselves.

The items listed are not really matters of industrial relationship, but rather tools with which industrial relationship is shaped. The strikes which are prevalent at this time are ample testimony to the need for a substantial relationship from the standpoint of both employer and employee.

In the Firestone Company, industrial relations receive the attention of the highest man in the management because "nobody else can bat for the boss." For 15 years the company has successfully conducted an employee representation plan in the form of a Senate and House of Representatives elected by the employees in secret balloting. The company's dealings with the personnel have consistently been as fair and generous as they could be, and any exceptions have been due to human fallibility rather than to intention. In any large groups will be found individuals whom it is humanly impossible to satisfy, because the source of their discontent is within themselves, although they believe it is in their surroundings.

Although efforts are being constantly made from the outside to introduce other forms of employee organization, so far these efforts have gained little headway. The employees profess satisfaction with the program now long established and the management feels a community of interest in its employees. Management and factory workers are not lined up like two opposing armies on opposite sides of No Man's Land. Instead, they are lined up together for the common good, fully informed of their mutual objectives.

During the past year, the management has used a weekly radio broadcast for informing the employees of inside facts and problems of the company and its attitude on current problems, -- unemployment insurance, competitive situations, and the Federal Trade hearings of Goodyear Contracts. This method was adopted because the working force had grown so large that it was impossible to gather them in any available hall for face to face talks.

The company's policy is based on: (1) well thought out programs of industrial relations: (2) complete responsibility for these plans in the hands of the chief executive; (3) fair dealings with employees in all matters, and keeping them informed of developments and policies in the business as a whole.

H. G. M.

"Cotton Textile Strike" - George A. Sloan of the Textile Institute
Radio Talk. September 4.

Mr. Sloan said that, in his opinion, the great textile strike is an altogether uncalled for disruption of a basic industry whose ramifications

are so extensive that its effect will be felt in other fields of human endeavor. A community of interests in all elements of the industry have been shaken.

Mr. Sloan felt that there was no excuse for such display of hostility among certain workers in an industry which was first in accepting governmental supervision under the Cotton Code, - a code that was erected out of the findings of a commission of experts interested in economic justice and human rights. Now a minority assume the constituted authority, force their opinion upon the majority, and threaten to undo the efforts of the Government to get the American people out of the economic and social disorder that has submerged the country for the past five years.

With the adoption of their code, which was the first one in American industry, 140,000 persons were added to the employment rolls of textile trades with an increase of 78% in the wage bill. On the other hand, production of cotton goods showed only a 3% increase.

Workers have been earning more money per week since the code adoption; factory conditions are better; human welfare is given more consideration; and the workers' liberty to choose representatives for collective bargaining has always been upheld.

W. F.

"Is a Thirty Hour Week Vital?"
(Based on an editorial and current news releases in the New York Times, September 4 - 10.)

The New York Times, in an editorial of September 9, attacks the "notion that we can be rescued from our economic troubles by a further reduction in the maximum hours of labor, with a corresponding increase in hourly wages."

The theory behind shorter hours and higher wages, as the Times points out, is that they will compel Capital to employ more workers and will increase purchasing power. On September 4, William Green of the A. F. of L. was quoted as saying: "It is the opinion of representatives of labor and many outstanding economists, as well as many enlightened and progressive employers, that industry and the nation must accept and apply the six-hour day and the five-day week as a real remedy for unemployment."

The editor contends that this "means a drastic rise in the expense of doing business" and that the increased cost of production can only be met by rise in prices. "To look upon this as an 'increase in purchasing power' is to take the view of a bookkeeper who has account only of credits and never of debits. Whatever may be said for the fiat wage increases on humanitarian grounds, it is obvious that employers lose by them exactly as much as workers gain; there is no net increase in purchasing power whatever." What the editor does not add is that money paid to the workers in the form of wages is more likely than the profits of management to be spent on manufactured commodities. The contention that a cut into profits would wipe out marginal firms is probably true but any effort to redistribute wealth will injure someone.

Three more objections advanced are: first, that reduced hours would mean a cut in production; second, that if we did decrease hours by governmental fiat the reduction would tend to be permanent and could not be undone later; third, that the tendency would be to shorten hours and raise pay "ad infinitum" and that "to attempt to solve our problems by a continuous shortening of the working week is to lose sight of the central economic aim, which is the production and distribution of a maximum volume of goods and services."

W. E. O., Jr.

"Majority Rule Decision of National Labor Relations Board"
The New Republic. September 12. 400 words.

The controversial Section 7a of the N.R.A. code was before the spotlight of the National Labor Relations Board last week. The interpretation of the group is "that the representatives of the majority should constitute the exclusive agency for collective bargaining with the employer." The decision unquestionably raises Section 7a to a new and more promising plane. The Board recognizes that the essence of real collective bargaining is that an employer and his employees reach an agreement on hours, wages, and other working conditions. Prior to this, employers have refused to recognize majority groups as bargaining agents, insisting that representatives of all their employees should participate in negotiations.

Rivalry, suspicion and friction, which in previous labor controversies confused the employees, and which divided the workers into opposing groups, robbing the minority group of the right to present grievances and act collectively, should be eliminated - if the employers can be made to accept the decision.

C. F. K.

"Wage War" - R. L. Duffus
Today. August 25. 1500 words.

Mr. Duffus points out that strikes are only a symptom of the crisis which faces American industry; that labor's determination to secure a larger share of the national output is the primary cause of the quarrel; and that the strike itself is not revolutionary.

The diversified groups of American labor have this in common: they are dependent upon wages paid by employers and they rebel against the theory that labor, like wheat, cotton, or pigs, is a commodity whose price must be determined by the laws of supply and demand.

Organization and collective bargaining are regarding a job as if it were property, the holder being entitled to an increasing dividend from the proceeds of material progress. America's problem is to reduce the area of economic or physical conflict to the smallest dimensions. The problem is more acute because the objective is more precisely realized than it used to be.

The way out is quite far ahead, but that there is a way is the author's contention. He states it is neither communist nor fascist. "It is democratic, scientific, American. We can end industrial warfare if we end the confusion, the emotionalism and the injustice that cause it. We can secure for labor its place in the sun, without impairing the legitimate rewards of the employer. If the profits of sweating and tyranny vanish, in some instances, they will be replaced by the profits of peace and stability."

A. S. H.

"White Man's Union" - Earl L. Brown
Today. September 1. 1200 words.

The American Federation of Labor, since its origin, has intended to centralize organization in industry. Furthermore, recently William F. Green, President of the A. F. of L., made the following statement: "Realizing the necessity for the unity of the wage earners of our country, the American Federation of Labor has upon all occasions declared that trade

unions should open their portals to all wage earners, irrespective of creed, color, nationality, sex, or politics."

Today there are 24 national and international unions, 10 of which are affiliated with the Federation, which exclude negroes from membership in their organization. Thus 225,000 workers are absolutely denied trade union affiliation and its auxiliary benefit.

A number of cases could be cited as evidence of exclusion and segregation policies on the part of unions against negro workers. This has allowed an open-door for the negro as a strike-breaker, giving him an opportunity to be employed in an industry which has always been averse to his hire.

"Negroes are primarily farm laborers who through economic, social, and political intimidation in the South, the abnormal demand for labor in the North during the World War, and the immigration laws enacted in the last decade," have migrated northward in extensive numbers.

The A. F. of L. has made innumerable pronouncements on behalf of negro labor; it has taken no action; its accomplishment for this faction stands practically negligible.

A. Q. P.

"Finding the Answer - in Alabama" - Charles N. Feidelson
Today. September 1.

The negro workers, once primarily farm laborers, make up 50% of the mine workers in the South today. They have always provided a serious employment problem.

The United Mine Workers had few members and no contracts since a very significant refusal was issued by the controlling operators of Alabama in 1923. However, the New Deal, with its collective bargaining clause, gave rise to a revival of the supremacy of the union so that, today, "virtually the entire coal industry of Alabama is under contract with the United Mine Workers."

A veteran organizer, of course, is almost totally responsible for the working out of one object of the U. M. W. heretofore confined to paper but not put into action, i.e., "to unite in one organization, regardless of creed, color, or nationality, all workmen eligible for membership."

The negroes and the whites have now been made members of the union equally, yet it is felt that this membership can lead to definitely serious rifts for the reason that the negro worker may take it upon himself to be too independent. On the other side, it is possible that a mutual industrial sense, minus "social equality," (the negro spokesman agrees that this is not requisite) may serve to dispel racial antagonism of long duration. It is quite inevitable that this trend would be gradual, but it is a notable step forward. This represents the only definite union accomplishment yet shown on the side of the black worker.

A. Q. P.

"Stepchildren of the New Deal" - Warren C. Montross
The Nation. September 12.

Agricultural laborers continue, even under the New Deal, to be America's worst exploited workers. They lack even the moral support of the N. R. A. codes and are not mentioned in the A. A. A. program.

In Hardin County, Ohio, workers in the onion marshes formed the first union of farm laborers to be affiliated with the American Federation of Labor. When the landowners refused to deal with the union

committees, a strike call was issued which was 100% effective. Their demand is for union recognition and a wage increase from 12¢ to 35¢ per hour.

The workers have been out since June. Economic stress, unfavorable judicial action, deputy sheriffs, and vigilantes have, to date, failed to break their spirit. The struggle reached a climax when the strike leader, while in the custody of the sheriff and twenty armed deputies, was abducted by 200 vigilantes.

The question is whether vigilantes are to be allowed to do the conciliating for the employers who, in this case, are the landowners.

S. M. G.

"Developing the Finer Art of Giving"
Literary Digest. September 8.

The article presents two views of the present and future status of philanthropy. The view taken by President Nicholas Murray Butler is that the present trend of government agencies is to increase the taxation of the rich until the great fortunes, which have made generous benefactions possible, will have been dissipated or destroyed. If these fortunes should be renewed, the government stands ready to take a great proportion of their annual income in taxation. If this step should be taken, President Butler claims that churches, colleges, hospitals, welfare societies, and other agencies of human aid will suffer seriously and possibly be reduced to a dependence on thousands of relatively small gifts.

In contrast, we have the opinion of Mr. Robert R. Doane, as given in his book, "The Measurement of American Wealth." In analyzing the sources of annual support of philanthropic institutions, he found that in 1929 living persons with an income over $25,000 gave only 13½% of the total gifts; those with incomes from $3000 to $25,000 gave 18½%; and those with incomes of $3000 and less gave 68% of the total donated.

According to Arnaud C. Marts, who has reviewed Mr. Doane's book, people of enormous incomes did not give to the point of pinching their pocketbooks. They did not give until it hurt. Although permitted to deduct from their income tax gifts to organized philanthropic institutions up to 15% of their income, the amount of gifts from this group was only 1.9% of the total gifts, whereas they put back into savings and new investments 34% of the entire income for the year 1929.

The table given below shows that persons receiving an annual salary between $1000 and $2000 received 36.8% of the total income of the country, but were responsible for 39.5% of the total of philanthropy.

	INCOME RECIPIENTS		FEES, DUES AND GIFTS TO PHILANTHROPIC ACTIVITIES	
Range of 1929 Income	Number	% of Total Income	Amount	% of Total
1. $1,000,000 and over.....	504	1.511	$ 37,677,000	1.823
2. $100,000 to $1,000,000..	13,057	4.086	106,884,000	5.175
3. $25,000 to $100,000.....	88,493	5.057	130,242,000	6.357
4. $5,000 to $25,000.....	866,947	10.755	210,871,000	10.351
5. $3,000 to $5,000.....	1,874,538	10.040	166,830,000	8.181
6. $2,000 to $3,000.....	4,071,261	12.966	302,608,000	14.844
7. $1,000 to $2,000.....	22,799,967	36.825	803,909,000	39.581
8. $1,000 and under.....	18,465,951	18.760	270,540,000	13.307
	48,180,718	100.000%	$2,029,561,000	100.000%

H. G. M.

"Men off the Road" - Gertrude Springer
Survey Graphic. September. 4000 words.

"The Federal Emergency Relief Administration is trying to reroot some hundreds of thousands of people whom the depression drove out of their normal setting into the road. Prior to the F.E.R.A., these men were just average American citizens of all ages, the older with good work records, the younger with no experience in steady work. All were cynical and bewildered. Only in the company of hoboes and criminals did they find welcome. A whole army of chronic dependents, delinquents and criminals were being bred...

"As it stands now every state except Montana has some sort of federal transient service in operation with all county relief bureaus designated as transient reference centers where destitute homeless people may apply for assistance. A transient is defined as a destitute person who has been within the boundaries of a state less than twelve months but has no legal settlement there."

If it appears that a man is a transient according to F.E.R.A. definition, he is sent at once to a treatment center of which there were, in midsummer, 340 scattered throughout the country in or adjacent to cities or centers of transportation. Here each man is treated as an individual human being and an effort is made to work out a plan for him with his cooperation. He may be sent home if his residence has been verified and if his old community offers him a better chance than he has where he is.

For those who have no homes or would not go home if they could, transient camps have been established in efforts to handle men in groups while building up shattered morale and industrial or social habits to the point of individual stability. The camps are clean, orderly, comfortably but roughly equipped, and operate through self-government.

It is not the good food, the recreation, or the comforts which determine the holding power on the men. Work is the real medicine of the camp.

The critics ask why the Federal Government should subsidize seasonal industry by caring for its unwanted man-power, to which Miss Springer replies that it is better to keep the man-power, with its low liability of employment, off the present glutted labor market. Keep it decent and productive in camps. Revive the habit of regular work and the incentive to orderly living, and let the seasonal industries look elsewhere when they want casual labor.

Other critics suggest that the camps are incentives to youthful wanderlusts. Boys always have left home to seek adventure. Is it not better for the camps to catch them than the jungles of the chronic hoboes?

"The camps themselves are robust and realistic with a developing understanding of how to hold men long enough to influence them. But what of the day when a man, his body sound and healthy, his initiative and self-confidence recovered, is ready to take hold of life again? At present he just goes - to such chance employment as he may be able to find for himself." There is little evidence of purposeful planning for their integration into community life. This is not easy for there still are not enough jobs for those who never left home and in spite of the good showing made by the men in camps most towns are still resentful of transients. "Until facilities for job finding are open to men for whom the camps have done all they can there is a weak link in the chain of reconstruction. The

N.R.S. would seem logically to be that link but in reality it is not. Even when it registers these men without established residence they go to the bottom of the employment ladder with veterans and local family men crowding the rungs ahead of them."

R. M. P.

"Fecundity of Families Dependent on Public Charity" - Paul Popenoe and Ellen Morton Williams
American Journal of Sociology. September.

In the summer of 1932, a study was made of 504 families on relief in Los Angeles County. "Families were taken in the order of their occurrence in the files, the only selection practiced being that the family must have been first admitted to relief at least five years previously. This took the record back prior to the beginning of the depression of 1929. Since then, almost any family might be in receipt of relief. But if a family was getting public funds at the height of the 'boom' period, it might be considered a more typical dependent family."

The results of the study show that these families "have been producing children steadily at public expense. The completed family averages five living children, and one third of these are born after the family has become dependent. Three or more social welfare agencies were aiding each of these families, in 80% of the cases. . . Most of the wives are still young enough to bear more children at public expense. The longer a family is dependent on charity, the more children it produces. . .

"That dependent families tend to be large is a matter of common observation. This is partly due, no doubt, to the fact that a large family is more in need of assistance. Parents who might support a child or two by their own exertions are unable to support four or five children and therefore turn to the public funds for assistance. Beyond this, it is often alleged that fecundity is positively correlated with ignorance, inefficiency, lack of self-control, disregard of consequences, and unwillingness or inability to use contraceptive methods, so that the type of person who is likely to apply for public charity is also the type of person who is likely to have a large family. Finally, it has been alleged by eugenists that the administration of public relief is sometimes a means of subsidizing the production of children, so that a family 'on the county' tends to have more offspring, not merely because it costs nothing when the public pays the bills, but because the family may actually derive pecuniary benefit from every increase in its size."

The authors conclude that "it would seem to be only common sense that every new family admitted to charitable relief should also be given contraceptive instruction and materials, unless it is clear that no children are likely to be produced while the family is dependent. Beyond this, sterilization at public expense should be provided for selected patients who desire it."

G. R. W.

"Relief Rolls Grow" - Ernest K. Lindley
Today. September 1.

During the past several months 600,000 persons have left the relief rolls, but 700,000 have been added, mostly in the drought states.

August found 3,800,000 families on relief, while June, with exact figures, showed 3,835,000 families, not including transients, - a total

of 16,600,000 persons. In August of last year the relief rolls carried 3,351,810 families with a total of 15,077,000 persons. Figures declined in September, 1933, because of the N.R.A. But, had it not been for the C.W.A., the total number of persons on relief might have reached 20,000,000 during the winter of 1933-1934.

During the fiscal year ended June 30, 1934, F.E.R.A. spent $580,000,000 on relief and $50,000,000 on supplementary measures. The state and local governments spent $340,000,000, making a grand total of $970,000,000.

The C.C.C. and C.W.A. expenditures ($980,000,000), were substitutes for direct relief. Thus, expenditures including every item of relief were about $2,000,000,000.

At the peak of C.W.A. work, the worker was receiving an average wage of $14.72. The week ending August 2 found the worker on emergency work averaging $9.98. By States, the average ranged from $3.33 in Kentucky to $17.24 in New York. At about $10.00 a week per family, 4,000,000 families could be sustained by emergency work at a maximum of $200,000,000 a month. This is about half the cost of the C.W.A. The Federal budget is in condition to permit larger expenditures for relief. About $1,000,000,000 is available to carry the F.E.R.A. through until March 1st. With an additional $300,000,000, emergency relief could be expanded to care for 3,800,000 persons.

W. F.

"A Coin in a Cup - No Charity"
Literary Digest. September.

The Welfare Council of New York City, cooperating with police, has devised a sound plan to save sympathy from error.

A street beggar, picked up by the police, is taken to a magistrate's court that works in conjunction with a group of social workers. First, the man's record is checked to ascertain whether or not he has ever been arrested before. Then the social workers get his case history, and he is given a physical examination, in order that required medical attention may be provided. If it is found that the beggar has no previous criminal record, and is an honest victim of misfortune, he is given a card to a suitable relief agency that will take care of him. If he fails to present his card and is arrested again for begging, a magistrate takes action, and usually gives a drastic sentence.

The plan has worked very well in helping honest victims of the times and relieving the public of professional panhandling. Its continued success depends upon the cooperation of the public. It is well to remember, "A coin in a cup may not achieve the ends of charity."

A. E.

"The Puzzle of Public Housing" - Charles S. Ascher, Executive Director, National Association of Housing Officials.
Mid-Monthly Survey. August.

The Housing Division of the P.W.A. has had difficulty getting underway. Most of the delay can be attributed to a difference of opinion over administrative procedures. Housing has not been faced as an emergency in the same spirit as have other Federal projects.

The new Housing Act is an attempt to persuade private capital to invest its wealth in the construction business. At the request of the

New York Housing Authorities, a section was inserted into the act "extending governmental insurance to mortgages of public authorities or public regulated limited dividend companies for low cost housing projects - without limitations on due dates or percentages of appraised value which govern other loans." The long term mortgages will alleviate the financial burdens of the three or four year system of mortgages.

Mr. Moffett, Federal Housing Administrator, is devising an economically sound method of controlling this insurance business. Attention must be given to the Housing Division so that the $125,000,000 placed at their disposal may render actual construction immediately practical in ten or twelve cities.

Among the problems to be solved are: (1) decentralization in the future of public housing so that it may become local in character; (2) coordination of all Federal agencies with power to extend credit or use of funds for financing or constructing houses and other dwellings, both rural and urban.

The Division also has the task of making surveys, studying developments of housing conditions, and creating sound mortgage systems.

W. F.

"Social Insurance Projects Now Studied in Washington" - P. W. Wilson
New York Times. September 2. 3000 words.

With the administration contemplating some scheme of social insurance which will involve an annual outlay running into billions, it is interesting to compare the systems now operative in various countries.

Thirty-six countries provide for Sickness Insurance. The German scheme is compulsory for manual workers and for persons earning salaries up to $858 a year. The worker pays approximately two thirds of the cost, but not beyond 6% of his wages, while the employer pays one third. The cash benefits include half the wage from the fourth day of incapacity up to twenty-six weeks.

The British Sickness Insurance scheme is compulsory for both manual and non-manual workers with salaries up to $1,217 a year. Insured men contribute 9¢ a week and insured women 8¢. In both cases, employers pay 9¢. The State subsidy is one seventh the cost of benefit for men and one fifth for women. Sickness benefit is $3.65 a week for a man, $2.92 for an unmarried woman, and $2.43 for a married woman, payable for twenty-six weeks. A disablement benefit of half the sickness benefit may then be continued, and ultimately an invalidity pension is arranged for incurable cases.

In Russia, all workers are included in the scheme, with the State paying the whole cost.

Old-Age pensions are granted wholly by the State in six countries. Twelve other countries grant them to individuals who have contributed. In both Germany and Great Britain, pensions are granted to those over 65 who have made sufficient contributions. In the latter country, the State bears full responsibility for those over 70. The original British pension was graded inversely, according to the recipients' other income. All new pensioners receive a maximum of $2.43 a week, starting at the age of 65, or earlier in the cases of incurable invalidity which are transferred from the sickness benefit scheme to the pension. Benefits for widows and orphans are also included under this system. When the scheme was inaugurated, the government went $3,000,000,000 into debt. The State is meeting this actuarial indebtedness by annual payments which increase every

year. It is estimated that the fund will balance after eighty years.

In Russia, a man receives a pension at the age of 60 after twenty-five years of remunerative employment. A woman's pension starts at 55 after twenty years of employment. A man employed in hazardous work receives a pension at 50. The pension runs from 50 to 60% of the average wages for the preceding year, with a maximum of $93. a month. The pension may be reduced, suspended or suppressed if the holder is in receipt of wages or other source of income. The scheme is now universal, and industry, including the State as employer, pays the entire cost.

The Swedish scheme covers the entire population, the cost being borne entirely by the insured. The contributions are graded according to income and range from 80¢ to $8.84 a year. Pensions, paid at the age of 67, are a percentage of contributions. Women receive four fifths of the pension paid to men.

Alaska and eighteen* of our states provide some form of special relief for the aged. In 1933, the United States had 6,633,805 persons over 65 years of age, of whom about one in thirty was receiving a pension.

In the field of Unemployment Insurance, experimentation has taught Britain that this does not furnish a complete solution of the problem of poverty under such disturbed economic conditions as prevail at present. Their scheme has recently been revised to provide, in cases not classified as "normal or occasional unemployment," for transference of responsibility from the contributory insurance system to the public assistance fund maintained wholly by the State.

Voluntary schemes of smaller scope exist in France, Norway, Czechoslovakia, Belgium and Denmark, but for all industrial countries the depression created a larger emergency than was anticipated and had to be dealt with by special measures.

In Russia, unemployment insurance was provided in 1930 for 10,000,000 workers, but has since been suspended because it "was not warranted by necessity."

G. R. W.

"Sweden Adopts a Dole System" - Ralph Thompson
Current History. September. 650 words.

Sweden has adopted a "dole" system. On May 30, 1934, the lower Chamber accepted the Unemployment Insurance Bill passed four days previously by the Upper Chamber of the Riksdag.

By paying weekly installments to the Insurance Fund, 700,000 Swedish workers will be entitled to twenty weeks unemployment support. The amount received will, of course, vary according to the sum contributed. The Fund, when fully organized, will total 36,000,000 kronor (approximately $17,000,000 at current rates). Of this, the workers will contribute 21,000,000 kronor and the State the remainder. Some 300,000 Swedish workers are already insured through trade-unions' schemes which, under the new system, will be augmented with government funds and supervised by the State.

In some unions unemployment insurance automatically went with membership, while in others unemployment societies were organized. Many millions of kronor were paid out annually to unemployed workers through

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* The Monthly Labor Review for June, 1934, notes that such provisions are mandatory in 24 states and optional in 6.

these agencies. This amount, augmented by State and municipal benefits, has assured many Swedish workmen at least a necessary minimum during periods of unemployment. But, as Dr. C. J. Ratzlaff, in his recently published study of Scandinavian unemployment relief programs, has pointed out: "The lack of adequate reserves and the larger number of workers affected by trade-union schemes made highly desirable an all-inclusive system of insurance subsidized by the State."

A. T., Jr.

"Work and Population"
New York Times Editorial. September 8.

England's unemployment problem is partially due to a changing relationship between the total and the working population. The percentage of population gainfully employed has risen from 43 per cent in 1881 to 47.2 per cent in 1931. Contrary to popular impression, this is not because of the "modern invasion of women in business" or because large numbers of adults decided to look for jobs for the first time but "rather because the number of adults has been increasing as compared with the number of children." There is every reason to believe that the proportion will continue to increase.

The New York Times takes issue with the London Times on the conclusions to be drawn from this change. "Have we," asks the Englishman, "good grounds to expect industry to absorb at higher real wages than ever before, a larger proportion of the population than ever before?" He thinks not, but, as the New York Times points out, his reasoning "involves the familiar fallacy of a fixed number of jobs to go round, with new workers necessarily displacing old ones. This overlooks the fact that each worker, through the goods or services that he helps to produce, adds to the effective demand for the goods or services produced by other workers; the more workers there are, the greater the social product there is to be divided."

W. E. O., Jr.

"Jobs for the College Graduate" - Deane W. Malott, Harvard Professor.
Baltimore Sun. September 2. 2000 words.

"In June, 1933, just under 400 men graduated from the Harvard Business School and sought jobs." 98 went into commercial and investment banking; 80 into manufacturing; 40 into retailing; 12 into other phases of distribution; 13 into insurance companies; 13 into public utilities; 11 into public accounting; 9 into government jobs; 7 into advertising; 5 into newspaper and publishing work; 4 into teaching; 3 into transportation. The June, 1934 graduates numbered approximately 350. 80% of them had jobs by July 1. They entered the various lines of business in almost the same proportion as the preceding class.

"That the largest group should go into commercial and investment banking is a startling refutation of the feeling that no one in these times either can or should find a job in that field. . .

"It is true that business concerns no longer take in droves of university graduates each June, regardless of their need for that type of talent. . . The demands of business are more shrewdly scrutinized and the applicant more carefully selected than formerly. The result is that the able man has earlier opportunity to show his worth than in the old days. More effort is expended to give him requisite experience within the business, and often he gets into positions of responsibility far earlier than formerly."

G. R. W.

EXCERPTS FROM THE NEWS

The Treasury's detailed report of revenues in 1933-1934 shows that the Government's receipts from miscellaneous internal revenue taxation reached $1,483,000,000, actually the highest figure in the country's history. This figure does not include the yield from the new processing taxes imposed by the A. A. A. Repeal of the Eighteenth Amendment with restoration of liquor taxes brought in $169,000,000 in taxes on malt liquors and $90,000,000 on wines and spirits. Taxes on tobacco amounted to $425,000,000, the highest mark on record. Taxes on the sale of gasoline rose more than 60%, and those on the sale of motor cars and accessories more than 110%. The yield of all these taxes is still increasing, and receipts from miscellaneous internal revenue thus far in the new fiscal year are running ahead of last year's record-breaking figure. Indications are that the Government will end the first quarter of 1934-1935 with total receipts of $900,000,000. This will be enough to balance the ordinary budget, and also to cover all of the emergency outlays except for the P. W. A. and the F. E. R. A. (- New York Times, September 12)

Treasury reports covering the week between August 29 and September 5 show that the F. E. R. A. spent, in that period, $34,000,000, two thirds of the total expenditures of the Treasury. (- The United States News, September 10)

About $600,000,000 worth of road, street and highway improvements are being effected by the 300,000 men employed on these P. W. A. projects. Many other men have been given employment indirectly through production and transportation of materials and machinery being used at construction sites. Up to July 15 the Federal road-building program had utilized $127,525,000 worth of materials. (- New York Times, September 2)

Reporting on employment on P. W. A. projects, Mr. Ickes states: "It is anticipated that direct employment will run along on its present level of about 700,000 men on construction sites through September and then begin to decline, according to the severity of the winter." (- New York Times, September 3)

In North Dakota two tracts of land, totaling 103 acres, are to be used for homestead projects. Each home will have a tract of garden-land from five to seven acres in extent and a five-room cottage. Each family will assume an obligation of $1,919 for the home and garden plot with twenty years to pay for them. (- The Christian Science Monitor, September 8)

The Subsistence Homestead Corporation issued a progress report showing that 463 homestead houses are either completed, under construction, or under contract with construction about to begin. (- The Christian Science Monitor, September 12)

The P. W. A. has advanced more than $210,000,000 in loans and grants, thereby partially financing more than half the public school construction now going on in the United States. (- New York Times, September 9)

The Wisconsin Regional Planning Committee and its staff, paid by relief funds, has formulated a ten year plan of public works detailing the projects on which their counties, cities and villages have estimated that they might profitably spend $219,006,379 between 1934 and 1944. The proposed plans include county and town roads, village streets, hospitals, forest ranger stations, schools, gymnasiums, fish hatcheries, a library, a livestock plant, an addition to the economics building at the University of Wisconsin, and other institutional structures. Among other projects submitted were suggestions for sewer and water lines, sewage disposal and water purification plants, parks, athletic fields, air ports, streets, electrical distribution plants, planning and zoning projects, and other buildings. (- New York Times, September 6)

The Bureau of Business Research of the University of Pittsburgh has recently released housing statistics for the cities of Clairton and Duquesne, Allegheny County. The report indicates a decided housing shortage in both cities in spite of a slight decrease in population since the 1930 Census was taken. The survey revealed that in Clairton there were 489 extra families but only 104 vacant dwellings, and in Duquesne, with 890 extra families, there were only 240 vacancies. It was also found that 85% of the renters in Clairton and 90% in Duquesne pay less than $30.00 per month, which fact should have a decided bearing on any new housing that might be undertaken in the near future. The Real Property Inventory of Allegheny County, undertaken last February, revealed that approximately 50% of the families of both cities live in dwellings of four rooms or less. Overcrowding was found in 42.7% of the occupied dwellings in Duquesne, and in 40% in Clairton. The actual occupancy per dwelling was 5.0 persons per dwelling in Clairton and 5.14 persons per dwelling in Duquesne, a higher figure than for other residential boroughs in the county. In Clairton, only 27% of the residences need minor repairs, but 43% in Duquesne fall in this group. In the matter of facilities, there are no bath tubs or showers in 28% of the homes in Clairton and in 38% of the homes in Duquesne. The report indicates that there should be a demand for residential construction and improvements just as soon as financial conditions improve.

(- Bureau of Business Research, University of Pittsburgh, Report of September 1)

From December 5, the date repeal became effective, to July 31, New York State received $10,500,000 for liquor, wine and beer licenses.

(- New York Times, September 9)

Robert S. Lynd, of Columbia University, is conducting a research project studying the impact of the depression on white collar families of $6,000 to $10,000 income group in 1929. It covers 150 families in Montclair, N. J., with scheduled interviews for objective indices of changed behavior during depression, followed by psychiatric interviews by Dr. John Levy, psychiatrist and co-director of the study. The interviews are to be supplemented by social data on the entire community.

(- American Journal of Sociology, September)

Direct relief expenditures are now running at about $125,000,000 a month, going to the support of almost 17,000,000 persons. Each family receives, on an average, about $23 a week, increased $7 from the figure in May, 1933.

(- The United States News, September 10)

A count by the United Press (August 3) shows 7,538,836 persons receiving federal compensation through salaries, pensions, pay for work on government projects or relief. Employees total 911,234; military, 259,034; pensioners, 918,568. (- Review of Reviews and World's Work, September)

Cooperating with the Ohio Employment Service, a new kind of employment service has been announced for Cincinnati. It will aim to find out who needs a job and how well he can do it once he has it. The plan is to follow up men who have been placed on jobs in an effort to satisfy both employer and employee.
(- The United States News, September 3)

Mussolini is planning to take all women workers out of Italy's industry that there may be more positions for men and that the women may be free to have large families. (- New York Times, September 6)

Dr. Virgil Jordan, President of the National Industrial Conference Board, states: "Were it not for government policies there would be a labor shortage in the United States, instead of a jobless army. Our unemployment today is an artificial unemployment created by the Government. The way out of it is to have business go ahead without being bull dozed and kicked around." Dr. Jordan is of the opinion that if business and industry were allowed to advance without interference, expansion of markets, and improvement of machinery and equipment would go ahead so rapidly that there would be a labor shortage.
(- The Christian Science Monitor, September 11)

Since President Roosevelt's inauguration, 103,125 new employees have been taken into Federal service, increasing payrolls at the rate of $3,000,000 per month. (- Philadelphia Inquirer, September 1)

The German Labor Office announced that the number of officially registered unemployed had dropped 28,000 during August. The total of unemployed was reduced to 2,398,000 which compares with more than 6,000,000 on the unemployment register in January, 1933, and 3,772,000 in January, 1934. However, the larger part of the unemployed stricken off the records were not placed in real employment but in such substitute employment as that provided by the Labor Service Army, the Land Helpers Emergency Relief Workers, the Supplementary Domestic Helpers, and various similar organizations.
(- New York Times, September 11)

In the year that has passed since the Soviet Government made the trade unions responsible for the management of social insurance protecting the workers, many improvements have been noted. There are now about 80,000 workers trained as inspectors. The number of accidents and industrial diseases has decreased considerably despite the fact that millions of unskilled workers were drawn into industry in 1933. The social insurance budget has also enabled the trade unions greatly to improve public health care, to develop a system of preventive work against disease, to build hundreds of new sanitariums, houses of rest, and a network of creches, kindergartens and camps for millions of children.
(- New York Times, September 7)

The Committee on Economic Security which President Roosevelt appointed to develop a program of social legislation for the next Congress is understood to have made plans for a national pension system. The plan would give the United States one third the amount needed for old-age pensions. There are 28* states which already have old-age pension laws. (- The United States News, September 3)

An employee's right to sue for pay, under the N.R.A., has been upheld in the Brooklyn Municipal Court. Justice Jacob S. Strahl handed down the following decision: "The plaintiff, as a wage earner, is entitled to the benefits and may recover under the President's reemployment agreement signed by the employer, defendant in this action, and also by the President of the United States, the President executing the same by the authorization of the National Industrial Recovery Act. It is true that the plaintiff, wage earner, did not sign said agreement but it having been made for his benefit, he may recover thereunder." (- New York Times, September 9)

In the pamphlet issued by the General Motors Corporation setting forth its official policies in its relation with employees it is stated that there will be no discrimination among employees on the ground of affiliation or non-affiliation with a labor organization. With regard to Section 7a of the N.R.A., the following statement is made: "Membership in a labor union or other type of labor or employe organization does not in itself establish the right of any such union or other organization to represent employes in collective bargaining negotiations. Representatives for such purposes must have been specifically chosen by the employes they are to represent and the fact of such choice must be established." (- New York Times, September 2)

Concealed behind the strike in the textile industry is a relentless competition between Northern and Southern cotton mills. For forty years the Northern mills have been waging a losing battle against Southern plants. The Southern advantage is in labor costs, since long hours and lower wages have been given the upper hand. The standardization of wages throughout the cotton industry will give the North an equal opportunity in the competitive markets.
(- The Christian Science Monitor, September 7)

Business in Canada shows some improvement over last year, according to the current business summary issued by the Bank of Montreal. The present outlook compares favorably with that of most commercial countries. Crops are expected to equal those of last year. Retail business is quiet, but the lumber industry shows improvement, notably in exports. (- Philadelphia Inquirer, August 25)

The League of Nations' Monthly Bulletin of Statistics for August lists fifteen nations in the order of their present rate of industrial production as follows: Japan, Chile, Norway, Sweden, Great Britain, Hungary, Germany, Italy, Canada, France, United States, Czechoslovakia, Belgium, Austria, and Poland.
(- New York Times, September 5)

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* See note on bottom of page 16.

This country continues to be the greatest single source for British imports. The Americans supplied 11.03% of the total during the first half of the year compared with 10.75% in the same period in 1933.
(- Philadelphia Inquirer, September 6)

The revenue of Light and Power Companies in the United States for June, 1934 was $147,337,000, closely approaching the income for May, 1934, according to statistics just released by the Edison Electric Institute. This is significant, since the revenue for the month of June usually falls off appreciably, due to the longer daylight period and seasonal decrease in industry and manufacturing. The gain for June, 1934, over June, 1933, was 2.8% for the entire United States, but as high as 5.0% for the northcentral region. A decrease in revenue was shown for only 2 territories, the South Atlantic and North Central States. Included is the area where the Tennessee Valley Authority is carrying on its project. The most noteworthy feature is an increase of 9.5% in domestic energy consumption over June, 1933.
(- Electrical World, August 25)

The Government estimates that the cash income of American farmers this year is $6,000,000,000, compared with $5,000,000,000 last year and with $4,300,000,000 in 1932. Retail food prices have risen 23½% since April of last year.
(- New York Times, September 5)

The Farm Administration has reached a $1,000,000-a-day speed in its payments to farmers cooperating in the corn-hog adjustment program. About $60,473,000 had been paid to more than 37,500 participating farmers through September 7.
(- New York Times, September 10)

Farm producers cooperating in the 1933, 1934, and 1935 adjustment programs for wheat, cotton, corn, hogs, and tobacco will receive approximately $779,402,000 in rental and benefit payments. (- The Christian Science Monitor, September 10)

Since March, 1933, food costs have increased 23.5%, cost of clothing 27.7%, while rents rose only 1.2%. (- New York Times, September 11)

Retail food prices advanced 3.2% in the two weeks ended August 28, according to the general index of the Bureau of Labor Statistics. The current index shows an accumulated rise in retail food prices of 27.5% since April 15, 1933, the lowest point since pre-war days. (- New York Times, September 12)

According to the Agricultural Department's monthly grain crop estimates, this season's corn yield shows a drop of 36% from the 1933 total crop and 49% from the 1932. The total wheat crop will be the smallest since 1893; the oat crop the smallest since 1866; and the rye crop the smallest since 1874.
(- New York Times, September 12)

ANNOUNCEMENTS OF NEW BOOKS

The Quest for Security by I. M. Rubinow.
Henry Holt & Co., New York. $3.50

An analysis of the need for a social-insurance program, with suggestions to meet specific problems.

America Fights the Depression edited by Henry C. Alsberg, with an introduction by Harry L. Hopkins.
Coward-McCann, New York. 160 pp. $2.50

Photographs of the activities of the C. W. A.

Unemployment Funds. A Survey and Proposal by Hugh H. Wolfenden.
Macmillan Co. of Canada, Ltd., Toronto. 229 pp.

A Study of the Needs of Adults for Further Training by M. R. Trabue and Beatrice J. Dvorak.
Employment Stabilization Research Institute, v.3, no.3. University of Minneapolis Press, Minneapolis. 25 pp. 50¢

The New Deal in Europe by Emil Lengyel.
Funk & Wagnalls, New York. 312 pp. $2.00

An outline of the various economic experiments of Italy, Germany, Russia, Sweden, etc.

The Unemployed Man by E. Wight Bakké.
E. P. Dutton & Co., Inc., New York. 308 pp. $3.50

A study made in Greenwich, England, of "the effect of Unemployment Insurance on the willingness and the ability of workers to support themselves."

The Pacific Coast Longshoreman's Strike of 1934 by Thomas G. Plant.
Waterfront Employers Union, 215 Market St., San Francisco, Calif.
Pamphlet.

A statement made by the President of the Waterfront Employers Union of San Francisco at a public hearing, July 11, 1934, detailing the facts relating to the strike and its development.

It's Up to Us by James P. Warburg.
Knopf. $2.00

A statement of present conditions and of what, in the opinion of the writer, should be done to remedy them.

Without Gloves by Frank R. Kent.
Morrow. $2.50

A study of the present national administration.

Challenge to the New Deal edited by Alfred M. Bingham and Selden Rodman.
Introduction by John Dewey.
The Falcon Press, 330 W. 42nd St., New York. $2.50

A symposium by American liberals constructively criticising the New Deal.

The Decline of American Capitalism by Lewis Corey.
Covici-Friede, New York. 622 pp. $4.00

A prophecy of the replacement of capitalism by communism.

Apprenticeship in England, France and Germany
Vocational Education Bulletin 176. Office of Education. 35 pp. 5¢

A publication composed of reports of interest and value to administrators and supervisors of vocational education.

The Planned Economy in Soviet Russia by Edward Lamb.
Dorrance and Co., Inc., Drexel Bldg., Philadelphia. 193 pp. $1.75

Studies in World Economics by G. D. H. Cole.
Macmillan & Co., Ltd., London. 285 pp. 12s., 6d.

Occupational-Disease Legislation in the United States.
United States Bureau of Labor Statistics. Superintendent of Documents.
Serial No. R-120. 16 pp.

Report on Incapacitating Sickness in the Insured Population of Scotland during the year 1st July, 1932 to 30th June, 1933, prepared by the Scotland Department of Health.
H. M. Stationery Office, London, England. 46 pp., tables, charts. 9d.

Labor Relations Under the Recovery Act by Ordway Tead and Henry C. Metcalf.
Whittlesey House, McGraw-Hill, New York. 259 pp. $2.00

Practical suggestions to employers and representatives of organized labor.

The Method of Freedom by Walter Lippmann.
Macmillan Co., New York. $1.50

Recommended political changes to achieve a compensated economy without dictatorship.

Our Next Step by Matthew Woll and William English Walling.
Harper & Brothers, New York. 199 pp. $2.00

Organized labor supports the continuance of the capitalistic system, with the income of those on the upper income levels curtailed as much as necessary to provide a radical increase in the income of the lower classes.

What Economic Nationalism Means to the South by Peter Molyneaux.
Foreign Policy Association & World Peace Foundation. Pamphlet. 25¢

The thesis is that the prosperity of the South, being dependent upon cotton, cannot be promoted except through larger foreign markets available only by lowering tariffs.

The Economics of the Recovery Program by Douglass V. Brown, Edward Chamberlin, Seymour E. Harris, Wassily W. Leontief, Edward S. Mason, Joseph A. Schumpeter and Overton H. Taylor.
Whittlesey House, McGraw-Hill, New York. 188 pp. $1.50

A statement of the administration's recovery program made by professional economists.

Unemployment and Relief Documents. A Bibliography of Source Materials compiled by the Document Section of the University of Chicago Libraries.
Public Administration Service, Chicago. 18 pp.

Vol. 1, No. 6 October 3, 1934

THE UNEMPLOYMENT RELIEF DIGEST

A semi-monthly bulletin presenting in compact form the substance of recently published material concerning unemployment and the administration of relief.

State Emergency Relief Board

Department of Research and Statistics

Harrisburg, Pa.

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"Australia is Reviving" - Roper Downes
New York Times. September 23. 1400 words.

The Commonwealth of Australia, which was laboring under war burdens and post war debts accompanied by an acute depression, has already witnessed a recovery. The form of Australian Government permits the local and federal legislatures to go direct to the people for approval or disapproval of major policies. In the past seven years, the people have gone to the polls four times to record their decisions upon issues of national interest and importance. In each instance they have been guided by principles, not by political partizanship.

The problem facing the Government a few years ago was similar to that of every other country: They had a colossal debt of $3,600,000,000 which had been piling up since the war; unemployment was increasing at a tremendous rate; exports had dropped to a fraction of normal; prices of major products, wool and wheat, were falling below cost of production; and a number of the colonies which comprise the Commonwealth were suggesting repudiation of debts.

The Federal Government, working in conjunction with the governments of each of the seven colonies, evolved a plan to balance all governmental budgets by adopting the following: (1) a sweeping cut of 22½% in all government expenditures, including wages of government employees, as well as old age, invalid, and soldiers' pensions; (2) reduction of interest rates on mortgages; (3) an embargo or tariff on all imports, which induced overseas' manufacturers to set up manufacturing plants in Australia, this in turn, providing employment to thousands. The governments of the colonies gave pledges to put the plan into effect locally over a period of three years.

The Federal Government attempted inflation by a note issue without adequate gold reserve and, since this was illegal, sought approval of the scheme by the people at the polls. A huge majority of the electors said, "No." The new government then cut the national debt nearly in half by converting the Australian-held bond issue from 5¾% interest to 3½% and extended the term up to 50 years. A sales tax and flour tax were also used to increase revenue. When these became effective, the country's credit was very much improved.

The unemployed had been supplied relief in various forms at a heavy expenditure of government funds, so the government introduced an unemployment tax assessed according to a sliding scale on all employed persons. This was carried out by employers purchasing special government stamps, which were placed in the employees' envelopes and the amount deducted from the wages due. Income tax was assessed by the several colonies. The money obtained from the unemployment tax has been used to build schools and roads, clear forests, and promote other public works to utilize the unemployed.

The banking system of Australia, similar to the British, does not permit issuing of funds for speculation, consequently there have been no bank failures. As a result, the Federal Government and all except one colony have balanced their budgets, and 15% of the salary cuts were restored last year. Taxation has been reduced and unemployment greatly curtailed.

During the past ten years, there have not been any major labor disputes or strikes. A Federal Arbitration Court has been set up to hear evidence of any case relating to wages and conditions of employment. When a decision is reached and agreed upon, an award is signed by all parties that is retroactive to the time the dispute began and is binding for a period of five years. Appeal by either side is permissible only

in exceptional cases. At expiration of award, the parties may meet and draw up a new award. If they cannot agree, they are summoned before the judge of the Arbitration Court, who after hearing the evidence makes a binding compulsory award. Either party may appeal to the Full Arbitration Court, and finally to the High Court of Australia, if there is dissatisfaction or a constitutional point of law involved. On one occasion the Federal Government sought to abolish the Court of Arbitration, but when the people were appealed to for a decision they defeated the Government and the court remained.

H. G. M.

"The Parable of Plenty" - Robert R. Doane
New Outlook. September. 4400 words.

In an earlier article, Mr. Doane sketched the genesis of the notion that we were cursed not with scarcity but with plenty and ventured to suggest that perhaps it was after all just a notion. A few facts pointing to this conclusion were given and more were promised in coming articles.

The problem attacked was "capacity," -- both the actual and potential capacities of our nation's productive equipment. Naturally, the exact definition of the terms were of primary importance to the survey but, "Capacity, the very quintessence of a nation's wealth, is in itself an elusive thing. It is flexible and subject to many factors both within and without the industrial structure. It cannot be measured entirely in terms of physical equipment, in the application of man-power, in efficiency, or in capital costs - but only in combination with these and other factors can some true approximation be obtained. It is thus impossible to find any 'unit' which might be made to constitute an ideal index. Non-uniformity of definition and the methods of estimation have varied both between industries and between sections within the same industry. The 'load' factor, the factor of 'seasonality,' the varying number of 'shifts,' technological changes in the processing of materials with its accompanying high rate of obsolescence, 'rated' capacity of machines, 'theoretical' capacity, 'potential' capacity, were all problems which had to be taken into consideration." The definition finally adopted was broad and general and covered only "normal practical capacity as defined by each authoritative trade association." The ratios given "are to be interpreted as representing an output which could be reasonably attained under conditions of maximum demand, assuming adequate transportation service, freedom from labor strikes and labor shortage, and allowance for all holidays and time lost for repairs."

Applying this definition to the pig iron and cement industries, we find that for nearly a quarter of a century the average ratio of current production to total capacity stood fairly uniform at approximately 75%. This is far different from the pictures of mounting excess capacity that have been painted by many economists. Furthermore, by calculating, for a wide variety of products, percentage of current production to capacity for the mystical year 1929, there is secured "an approximate grand average ratio of production to normal capacity for this 1929 peak year of 79.6%. By comparison of 1929 excess capacity with that of 1923, as reported to the Bureau of the Census, discloses the significant fact that there had actually been a decline in our so-called excess capacity in 1929 over that of 1923 of some 7%."

America, instead of suffering from an excess of capital (which is another way of stating excess capacity"), did not have enough.

But perhaps if we were not saddled with an archaic price-profit economy which emphasizes the making of money and not the making of goods, there would be abundance for all. It has been said that, if we could commandeer everything and everyone and put them to work in an ordered government-controlled economy, much of the present waste would be eliminated. "If such a method of distribution were arranged, and it was carefully and thoroughly done, and industry maintained its efficiency, pretty much everyone in the United States would have in terms of goods and services, an income equivalent to somewhere in the vicinity of $5,000 a year - or, rather, equivalent to what $5,000 a year income will buy now." (Prof. Berle, New York Times, October 27, 1933.)

The contention of the author is that such a distribution would be physically impossible. If we are to supply the things that go with the $5,000 income, we would require, according to Mr. Doane's calculation, "an amount 10 times greater than the total known reserves now existing within the borders of the Continental United States; an amount almost equal to the entire total resources of the world."

W. E. O., Jr.

REVIEW OF OPINIONS ON THE NEW DEAL
(Based on current news items)

Italy's View: Roosevelt has set up for himself four fundamental principles - reduction of armament, lowering of tariff barriers, stabilization of currency, and the development of friendly relations with other nations. Far from achieving his goal, he has reached diametric opposites. Armament has increased instead of decreasing; tariffs have been raised instead of lowered; stabilized currency is still a myth; and instead of reciprocal trust and confidence among nations there exists suspicion and alarm. Such is the statement of Popolo d'Italia, Mussolini's newspaper. "But," it continues, "one must not believe that the experiment has failed because it has not attained its four great objectives. The experiment is still in the course of being carried out. We must wait." According to Il Duce, "Roosevelt's principles are not Fascist, and even less are they communist."

A New Deal for France: Premier Gaston Doumergue has announced his intention of giving France a "New Deal," - complete with N.R.A., "Brain Trust," industrial codes, and all the other departures which have characterized the Roosevelt Administration. Convinced that only in such planned economy lies the future well-being of his nation, Doumergue plans to organize the best economic brains in France into an advisory board to help him in his attempt to lead his nation out of the bog of depression.

National Manufacturers Group to Study New Deal: "Manufacturers will be merely carping critics unless they try to dovetail and coordinate their own viewpoints on the subject of unemployment before the day for perpetuating or changing the emergency legislation is at hand," said J. W. Hook, President of the newly-formed National Association of Manufacturers Committee. "This committee is not one for comment and criticism," he said. "The procedure programs provide for a series of meetings, conferences and hearings through which the Association will seek to get first-hand the real viewpoint of industry on the New Deal,"

Business Leaders Favor New Deal: Despite widespread criticism and complaints against the New Deal Administration, the majority of business executives throughout the country approve its basic principles. The Administration has contributed to a material improvement in the status of labor and in business practices, according to opinions expressed by well-informed Code Authority representatives.

Millers Discuss the New Deal: The president of the Pennsylvania Millers and Feed Dealers Association hopes that "most of the experiments which have been attempted to end the depression, will be shortly abandoned."

"It is too much to expect," he said, "that bad trade practices in the flour milling code will be immediately abandoned. If we endeavor to forget petty criticism of the New Deal Administration and think instead that there is an opportunity to abandon many of the habits into which we have fallen, we should be able to gradually work back to a sound business basis, from which real progress may once more be made."

A. F. of L. and the New Deal: William Green states: "Four years of depression and insecurity have brought home to wage-earners the need for a New Deal and the realization that only the union will enable them to benefit by the New Deal."

Editors 48.73 per cent for the New Deal: Newsdom, a trade publication, is conducting a poll of newspaper editors in medium-sized cities, towns, and villages of the West and Midwest. A tabulation of partial returns shows that 48.73% of 236 papers favor Roosevelt's New Deal, 38.98% are against it, and 12.29% agree to it in part. The poll will eventually cover the entire nation.

Socialists Start Drive on New Deal: The New Deal has left the essentials and fundamentals of capitalism untouched and is therefore bound to fail as far as eliminating its outstanding evils is concerned. The New Deal will no more save the American people from the scourge of capitalism than the Kellogg Pact and similar devices have saved humanity from the consequences of imperialism rooted in the capitalist system. Only the united efforts of the workers and farmers, organized in unions and cooperatives and, above all, in a political party of their own, can save the nation, according to Charles Solomon, Socialist candidate for Governor of New York.

New Deal Purposes Divine, say Religious Leaders: Although Roosevelt's recovery measures are "human in origin and therefore fallible, the purposes sought are divine in character" is the sum of a statement issued by the Federal Council of Churches of Christ. "The measures now being tried and any others which give any promise of a cure of our social sickness, demand an integrity, a spirit of fair play, a capacity for long views, a willingness to surrender personal privileges and to share, such as have seldom been sought at the hands of any population in peace time. Codes alone cannot give us a better society. There must be consecration, too."

"The Challenge to Liberty" - Herbert Hoover: It is Mr. Hoover's thesis that some of the reforms instituted by Roosevelt were wise and necessary and that some of the emergency legislation was justified in general though not in particular by the condition of the country and the world in March, 1933, but that the danger lies in an "eclipse of liberty" through an effort to make permanent the emergency legislation which regiments the average citizen.

Mr. Hoover dreads the stifling of competition under the New Deal. He feels that competition is a "unique American" institution.

Government may promote co-operation, "but to liberty co-operation is a concept of consent among free men, not a compulsion of regimented men."

The N.R.A. seems to him "the greatest machine ever created to squeeze out the small competitor through the law" - the most stupendous invasion of the whole spirit of liberty that the nation has witnessed since the days of Colonial America."

Mr. Hoover concludes upon a note of firm belief that national regimentation cannot long survive: "The spark of liberty will break into flames that will destroy every coercion which seems to limit it."

"Tremendous Gains" Under New Deal - Donald R. Richberg: Donald R. Richberg, executive secretary of the Executive Council, has handed in to the Chief Executive the first of seven formal reports covering the activities of the New Deal. The report states that:

1. In one year 4,120,000 unemployed persons have found employment.
2. Weekly wages increased 37.5% and despite an increased living cost of 9.6%, "there remains a net increase of 25% in purchasing power."
3. The index of corporation profits rose from a deficit figure of 32.2% in 1934.
4. The index of all manufacturers rose from a low of 47.4% in March, 1933, to a high of 72.1% in May, 1934, since when there has been a slight recession.
5. Business failures from February to May, 1934, were 40% fewer than in 1929.
6. Labor's share of the national income rose from 58.3% in June, 1933, to 62.5% in June, 1934.
7. Work has been reduced approximately six hours to 37 hours a week for all industry, the average wage being 55.2 cents an hour.
8. Some 2,000,000 workers were added to the membership of the A. F. of L. and there was a large increase in the number of members of company unions.
9. The wholesale price index rose from a figure of 60.2% in March, 1933, to 74.6% in June, 1934.

A. T., Jr.

"The Conservative Opposition" - George E. Sokolsky
New Outlook. September. 1500 words.

During the "honeymoon" period of the present Administration, the public was led to believe that opposition in general and partisan politics in particular would delay recovery and, since some recovery was vital if American government was to remain stable, any attack would be little short of treasonable. The writer is of the opinion that "this non-partisan effort, this attempt to make the acceptance of President Roosevelt unanimous, this movement in the direction of One Big Party, was more subtle, more ingenious than the cruder activities in the same direction of Mussolini, Stalin and Hitler. For there was no direct coercion, no use of force, no suppression. All that was employed was the psychology of mass pressure created out of the Depression and used ruthlessly through every publicity channel by insisting that the alternative to the Roosevelt program was revolution." In addition, liberals and radicals were absorbed in "vast and expensive numbers" and used to make plans, draw graphs, conduct experiments in sociology, and in general, supply the administration with that constant flow of ideas which are necessary in the experimental approach to government.

It might be expected that all this would lead the more conservative defenders of the "constitution," "the two-party system," etc., to fear

that the emergency was being used to blot out American traditions, but "as long as there was evidence that Mr. Roosevelt was succeeding, or might succeed, in putting ten million men to work, this opposition remained small and ineffective. Mr. Roosevelt's publicity agencies attacked them by ridicule. Such publicists as the learned Dr. Tugwell or the raucous General Johnson hit at them, often under the belt. The whispering campaign employed the slogan, 'Well, what would you do in his place?,' which always is a red herring across any intellectual trail, because the discussion then switches from criticism of definite action and policy to ephemeral discussion of idealistic possibilities."

The author continues with a detailed indictment of the New Deal and predicts that labor troubles and taxes will place the President in a dilemma in which he must turn either to the right or to the left. The probabilities are that Mr. Roosevelt is becoming more conservative. This the liberals do not like. "The Liberal is usually a middle-of-the-road man who would do well by his fellow men. He suffers vicariously all the pains of mankind. He is the guardian of the underdog, but he usually dares not take a positive stand on any question, because he has trained his mind to see the good on all sides of all questions. He is a Kerensky. Liberals felt a kinship with Mr. Roosevelt. It was an emotional affinity rather than an intellectual conviction. It was a faith in his essential goodness and a willingness to give him a chance."

Nevertheless, Mr. Sokolsky is of the opinion that the real opposition will be from the Right, for "when the Liberals attack Mr. Roosevelt they are attacking a Liberal and the popular reaction is to move to the Right, except for a small element which goes to the extreme Left, whom we call Communists."

But that opposition lacks program, leadership, and character. It remains to be seen whether the analysis is really analysis or propaganda.

W. E. O., Jr.

"Sweden as a Rooseveltian Model" - Henry Albert Phillips
Literary Digest. September 15. 2000 words.

The author cites various sentences from the President's campaign speeches as a proof that we are headed toward State Socialism.

Sweden is suggested as a model for our experiment because its problems are greatly similar to ours. Sweden has rapidly become an industrial nation; in 1870 one eighth of the population was in industry; in 1900, one quarter; and in 1920, one half. This rapid development brought many dangers - overlong hours, occupational diseases, child labor, confining indoor jobs, and dangerous occupations, all of which threatened the peace and happiness of the people.

Their defense was the creation of a Ministry of Social Affairs, which includes not only many functions of the usual Department of the Interior but also has broad powers of social administration.

"State support is assured every Swede from birth to death; insurance at every turn - at the expense of the employer." There are homes for the aged, sick, wayward, orphans, disabled, and mentally unfit. Not only was State support promised, but it has become obligatory by law, even at the expense of borrowing.

This last expedient has been much used by the present Socialist Government, even at times when no means of repayment were in sight other than the promise of future income from an increased inheritance tax. The people of Sweden support this program unanimously.

J. B. S.

"The World As I Want It" - Norman Thomas
The Forum. October. 700 words.

Norman Thomas states that he desires, in general, "a fellowship of free men who have learned the secret of the shared abundance which the modern machine makes possible." He continues: "I want a world rid once and for all of poverty, economic insecurity, and the menace of war. Such a world would release unbelievable energies for discovery of truth and the creation of beauty."

Since the "absorbing problem of our time is economic," liberty will have little meaning for the masses until it can be realized in that "economy of abundance" of which so much has been written. Nevertheless, in trying to achieve that, it is not wise to "neglect, postpone or even despise questions connected with individual freedom," even during a transitional period, as those persons do who have "at least one more war in view which they would regard as holy or necessary." In spite of the failure of Kerensky and the German Social Democrats, and the limited achievements of the British labor party, the author is not of the opinion that the world as he wants it "can best be won by calm acceptance of the inevitability of large-scale violence, by a glorification of hate, or by making a virtue of intolerant dictatorship."

So much for the road to power. As for the desired world, "the economics . . . must be socialistic. The fellowship . . . must cross racial lines and abolish the class division of society. No absolute national state can be the ultimate unit in its organization. There must be effective social control of economic processes, at least until habits of cooperation are firmly fixed."

W. E. O., Jr.

"Is Democracy Doomed?" - Will Durant
Saturday Evening Post. September 15. 8500 words.

Will Durant discusses the various tasks which confront us if we are at all desirous of saving our democracy. He holds the opinion that it is absolutely unnecessary for America to pay the price that has been paid by Italy in order to have many of the fine achievements of Mussolini duplicated. Likewise, considering the hospitality of the German home, the wholesomeness of its family relationships, the profundity of its literature for many a century, and the achievements of German science, one can find but little satisfaction in the shame and misery that have in recent years come upon those creative and heroic people under a leadership so essentially alien to German culture and spirit.

Democracy must be redeemed if it is to be preserved at all. There is absolutely no need to forever offend the nostrils of heaven by tolerating some of our present municipal governments which shame us in the eyes of the whole world. Our foreign diplomats can, likewise, surely be men of a high calibre properly trained to follow a career involving international relationships. All of our best brains need not necessarily be devoted to industry and science thereby leaving scarcely anything but the mediocre to go into government. Democracy can be preserved by cleansing it.

The author offers ten amendments to our American democracy with which to aid in its preservation and cleansing. First, that a United States Civil Academy be established at Washington; second, that there be municipal and state scholarships to the Civil Academy; third, that

all minor administrative posts in our cities be filled by the appointment of graduates from the Civil Academy; fourth, the third-class cities adopt the city-manager plan in combination with the appointment restrictions heretofore mentioned; fifth, that after ten years successful operation of the foregoing proposals, elective municipal officers be reduced to some six commissioners who would in turn fill all other positions from the roster of Civil Academy graduates of five years administrative experience; sixth, that if the system has improved city administration after a trial of ten years it be adapted to the administration of state government; seventh, that after further trial and success it be applied to the administration of Federal government; eighth, that the franchise be withdrawn from municipal, state and Federal employees in order to offset the tendency to form a political bureaucracy; ninth, that an endeavor be made to reduce crime and its corrupting influence upon politics by having the Supreme Court of a state appoint all judges and public attorneys; tenth, that the industries, trades, professions and occupations organize units, each sending its representatives of both capital and labor to a National Economic Council.

Will Durant does not make any wild claims to the effect that his various suggestions would prove to be cure-alls. However, there probably is much food for thought in considering the ominous aspects of the many attacks upon democracy along a wide front, and the acid truth with which the attacks are armed.

A. B. P.

"Smilin' Through" - George Horace Lorimer
Saturday Evening Post. September 22. 2000 words.

The author states that the present Administration at Washington came into power with a depression to liquidate, and now, after 18 months, has both a depression and a New Deal to liquidate. "On a foundation that ignored the inexorable fundamental laws of human nature and of economics, a structure was reared that began immediately to settle out of plumb."

Mr. Lorimer claims that the lack of confidence which is slowly increasing among the people is caused by the failure of the many newly-formed bureaus, all the way through the alphabet from the A.A.A. to the P.W.A. In his opinion, business is the only organization that can pull us out of the depression.

In a final summary, the author says: "Even the severest critics of the Administration want to see it headed up the road to success. But that is a hard road that will call for the scrapping of many of the half-baked theories of the amateurs who are imposing their ideas on the country. Unless the President discards their theories and all opportunist policies, and discloses his plans in plain Anglo-Saxon words, a steadily increasing minority that faces the future with grave doubts and grave faces may quickly become a majority. Perhaps if they knew what was in the President's mind for the future they, too, could go 'Smilin' Through.' Or perhaps not."

J. F. H.

"The Cost of the Codes" - Allen Raymond
New Outlook. September. 1600 words.

The code authorities represent, under the N. R. A., "self-government of business." The contents of a series of their budgets reveal

that an "industrial government," like any other kind of government, is very, very costly.

The majority of the individuals who control these subordinates of our great new bureaucracy have come directly from the big business which it is now their duty to exploit. They are accustomed to proportionately good-sized salaries. Their methods of assessing taxes to provide for the numerous groups are very interesting. Among them we have: a tax of 1/10 of 1% on the cost of construction projects; 1% on the payrolls of productive labor; 1/5 of 1% on the gross sales filled; 1% on contracts from $100 to $100,000 and 1½% on contracts over the first $100,000; and 1% on the gross volume of sales. The cost of having 400 industries govern themselves for one year is estimated at $100,000,000. The whole situation suggests that we have an awakening of the old trade association - but backed, in this case by the Government.

Labor unions, from reports, have been forced to strike to obtain code wages, and have not found the helping hand in numerous instances from the very code authorities set up to secure their wages. The code authorities are, in practically every instance, representatives of the employers only."

Furthermore, in a recent statement, Channing E. Schweitzer, managing director of the National Retail Dry Goods Association, said: "The use of money received by the code authorities through their assessments among members of the industry has been clearly defined by the N. R. A. Yet there is a distinct danger that code authorities may be led to use the funds for other purposes than intended, thereby fostering hardships and burdens on retailers and the buying public."

It is quite possible that the noticeable move is toward a fresh kind of dilemma in the hands of a potentially constructive policy.

A. Q. P.

"Has Business Leadership Failed?" - Albert W. Atwood
Saturday Evening Post. September 22. 5000 words.

The question in the title has arisen following a radio broadcast by a distinguished British economist upon his return to England after having spent considerable time in Washington studying the New Deal. He cited the low esteem in which the American public held former business leaders. The writer hopes the idea is not general and shows the seriousness of the situation if it should be justified. The indictment against these national leaders in business needs modification, as the economic tornado has not been entirely confined to the United States nor did it originate here. It would be as just to say that the world failed as that American business leadership failed.

Blame for the blind economic optimism which precipitated the country into its present state is not placed by the author, although he asks the question as to why outstanding business men did not size up the symptoms more accurately and stop the movement.

Yet it is doubtful whether mass psychology could have been controlled in 1928 and 1929. When business goes sour, human revulsion against its chiefs is bound to follow. Men are always better at hindsight than foresight. Business leadership is exaggerated during periods of easy money and profit making. In times of business depression, once admired business successes are scorned. The politically-minded capitalize on such changes of sentiment. Government agencies, empowered with billions of credit, cite inferiority of business management. The author sets forth a warning in the statement: "There can be no

greater delusion than to suppose that government has suddenly become an all-wise, far-seeing institution capable of giving us that direction, control and planning which we have so woefully lacked in the past."

Government shortcomings are enumerated; the effect of the Wagner Bill in the country, should it have passed, is set forth; the attitude and fairness of Congress is challenged; the practical purpose of Insull, who ceased to be an operator of utilities and became a manipulator of utility holding company stocks, is questioned.

The author champions business for its attitude in relations with employees, and for practically abandoning the profit motive and spending billions of its capital to keep going. Feet-on-the-ground leadership is advised, with the business man not running after panaceas and utopias.

Business must have leadership, yet the problem is not how to produce great men but how to produce great societies. In creating such a society as ours, we have all of us, down to the humblest, had our part. When there is good will and the will to de, leadership emerges, and strong individuals begin to see their way through the urgent problems of the time.

C. F. K.

"Industry's Portrayal as a Black Sheep is a Baseless Canard" - Kenneth Stillman. Iron Age. September 6. 2800 words.

Mr. Stillman enthusiastically comes to industry's defense, endeavoring to prove that any suffering that labor has known since the depression is due not so much to her failing to obtain her full share of all that was produced as to the undeniable fact that little was produced. Various data, tables, and figures of the National City Bank of New York, U. S. Treasury Department, U. S. Department of Commerce, etc., have been used by the author to re-inforce his proof of industry's innocence.

Quite a few of the measures adopted under the New Deal for the purpose of bringing about recovery are, according to the author, presumably based upon the assumption that property, as well as capital interests, has been receiving a disproportionate share of the national income; that the depression was caused, in the main, by tremendous profits levied against the national income by the owners and managers of business enterprises; that the purchasing power was not distributed freely and equitably insofar as both capital and labor were concerned; and that labor has suffered severely during the depression to that point where she has the greatest need of emergency relief and permanent aid. These, we are informed, are some of the arguments used by the sponsors of the New Deal in order to justify extraordinary measures they have adopted to control and regulate American business.

The author goes on to show that the net income of industry has been low. We are informed that business earnings are off more than the earnings of labor. Unemployment is depicted as the direct outcome of the lack of balance among different economic groups, with the largest losses being incurred by the heavy industries. While endeavoring to give industry a clean bill of health concerning her guilt in any of our present day ailments, Mr. Stillman is not the least bit timid about blaming the public and the press for the situation that now exists. This indictment of the public and the press is inspired by the fact that both gave their whole-hearted support to the various new proposals which were designed to correct the existing conditions, to restore and maintain the nation's prosperity.

A. B. P.

"Industrial Unrest in a Period of Recovery"
Literary Digest. September 15. 1200 words.

This article deals with the recent textile and other labor disturbances, comparing the present situation with the unrest of the early '70's. The comparison seems especially apt because the panic of '73 and its wretched aftermath were greatly like our own depression, - fruit of the war and wild speculation which followed.

The history of the Molly Maguires, the railroad strikes of 1877, and the Baltimore & Ohio slash in wages which caused railroad men to tie up the road almost overnight, is described by the author. Labor, in the meantime, had suffered the inevitable demoralization that comes with hard times. Unions disbanded and others fell into dire financial straits. To many contemporary observers, including John Hay, Lincoln's secretary, it seemed that society was about to dissolve in civil struggles.

Since the advent of the New Deal, with its N. R. A. code and Section 7a, which makes collective bargaining mandatory, there have been strikes uninterruptedly despite the efforts of the Government to forestall them. Blame has been placed on Section 7a, and its encouragement of ambitious labor leaders. Others attribute the strikes to prevailing unrest, a 30-hour week with no loss of pay, the end of the "stretch-out" system, etc., all of which excuses serve in the nature of window dressing to attract larger number of workers to the ranks of unionism.

Professor Feldman of Dartmouth College, who has studied strikes since 1916, says that wages have caused three fifths of all strikes in the past, but that now failure of employers to recognize the union or grant collective bargaining rights, interference with union campaigns, and other violations of Section 7a account for three fourths of the cases coming before National and Regional Boards. The author contends that if history is any criterion, the country was due for the dose it is swallowing.

C. F. K.

"Labor Board Acts in Two Important Cases"
Literary Digest. September 22. 700 words.

The National Labor Relations Board recently charged the Kohler Company of Kohler, Wisconsin, with a violation of Section 7a of the N.I.R.A. The company, it is said, had attempted to "influence the allegiance of employees and to interfere with their free and unhampered self-organization which Section 7a guarantees." Because of favoritism shown towards the Kohler Workers Association, a company union, it ordered that a secret election be held to determine who should represent the Kohler employees in collective bargaining. If a majority of the employees vote to be represented by the company union, it will be entitled to represent all of them, and the same will be true for an outside union should a majority vote to be represented by it.*

In the case of the Houde Engineering Corporation of Buffalo, the board came out squarely for the principle that the agency selected by a majority of employees should be the "exclusive collective bargaining agency of all employees." Minority groups were permitted the right to

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*September 27, employees voted 1,063 in favor of the company union, 643 for the A. F. of L. union.

confer with employers and present their grievances. The board decided at that time that the Houde Company had violated Section 7a and gave it ten days to recognize an American Federation of Labor union, for which a majority of its employees had voted, as its agency for all its workers in collective bargaining. Upon refusal of the company to comply, the National Recovery Administration, to whom the case had been referred, removed the company's Blue Eagle, depriving it of its right to display any N. R. A. insignia in any manner whatsoever.

The National Association of Manufacturers advised employers to ignore the board's decision in favor of a majority rule, stating: "The decision is unwarranted by the terms of the Recovery Act and is unenforceable." William Green, President of the A. F. of L., retorted: "The National Association of Manufacturers not only flouts the law and decisions of the National Labor Relations Board but, in addition, it advises all manufacturers to do likewise. Such a policy and such advice comes very near being a conspiracy to violate the law."

S. M. G.

"Industrial Output in Russia Declines"
New York Times. September 23. 800 words.

Leaders in Soviet industry, meeting in an All Union Industrial Session in Moscow, took stock of their position and reported that only four branches of heavy industry -- ball bearing, coke, tractor, and pig iron -- are up with the schedule for this year, which is the second year of the Second Five-Year Plan. For the first eight months of this year, coal has fulfilled 65.9% of its schedule, steel 64.9%, and copper 52.1%. During the past two and one half months, there had been an unbroken descent in the production of steel, coal, machine tools, railway rolling stock, automobiles and oil. However, it was affirmed that the decline in production in summer had always occurred and is not unusual. The gains, both proportionately and actually, are over those of 1933.

Many industries had been so slow in paying their workers that thousands had quit, and this was disastrous to industrial efficiency.

Soviet equipment is superb. If the present facilities were fully utilized, there would be no difficulty in fulfilling this year's plan.

A new merchandising plan was announced by which peasants will be asked to trade grain at State prices for merchandise. This system is supplemental to a new government decree which permits the peasant to sell his surplus grain to cooperative and State organizations after he has fulfilled his government share. The intention of this change is to place at the disposal of the government enough grain so that it can be distributed where it is needed.

W. F.

"Unemployment and Social Legislation in Japan."
New York Times. September 17 and 18.

Director Niwa of the Japanese Bureau of Social affairs, at a recent meeting of Japanese industrialists, discussed their unemployment problem which has been relieved somewhat by public works, particularly among the impoverished farmers. Noticeable improvements have also been made in industrial activity and export business, both of which have made commendable advances with increases in actual earnings. Mr. Niwa estimates that

2,000,000 persons are still unemployed, while the number of persons on the labor market is increasing at the rate of half a million annually. Good technical skill and work have also aided Japanese industry, but improved material equipment coupled with improved technical work is still needed, as well as some adjustment of long hours.

On the other hand, employers oppose any social legislation along western lines for Japanese labor. Through Baron Go, President of the Japanese National Confederation of Industrial Associations, the International Labor Office at Geneva announced the Confederation's point of view which states that European and American systems cannot be introduced into Japan. Labor legislation, as developed in Europe and America, with its social and economic results, cannot be applied to Japan without modification. However, he believes that employer and employee interest should coincide in such a manner as to produce sound industrial progress, that the industrial system will improve gradually, and that any compulsory uniform legislation without regard to the nature of local conditions should be avoided.

W. F.

"Pensions for All at 60 -- An Idea from the West" - Robert Ordway Foote
New York Times. September 16. 1200 words.

Doctor Townsend of Long Beach, California, while engaged in medical relief work among aged people, became convinced that ailments were in most cases mental periods of dejection attributed to the fear occasioned by insecurity.

He wrote a pamphlet to arrest the attention of the West. The response astounded him. In one voting area in Southern California, which had a registration of 100,000, more than 70,000 signatures were appended to petitions requesting Congressional action. The idea is now on its way East. A group of Californians intend to establish 50,000 clubs throughout the country, each of which is to present a petition to Congress.

In brief, the Old-Age Revolving Pension Bill, which Congress will be asked to enact into law, will provide: That every man and woman, married or single, retire at 60 and receive a government pension of $200 a month, as long as he or she may live, dependent upon the following conditions: (1) that the pensioner is a citizen of the United States; (2) that persons take an oath to spend the entire $200 a month within the United States; (3) that pensioners refrain from all gainful occupations and abandon any additional private income; and (4) that the pensioner shall never have been convicted of felony.

To launch the program, $2,000,000,000 in government bonds or money would be necessary. This amount would be known as the revolving fund, to be kept intact as to principal by a Federal sales tax which would supply money for the pension rolls. 10% is probably the necessary tax.

Doctor A. A. Merill, former member of the faculty of the California Institute of Technology at Pasadena, in using the California census data which make a population division at the age of 65 instead of 60, stated in his calculations that every man, woman and child in the state not eligible for the pension would have to purchase $129 worth of taxable goods a month to maintain it.

The pension planners estimate that of the 10,300,000 persons in the country who are over 60 and eligible for the pension, one half would apply. If this one half should obtain the proposed remuneration, this would mean the commencement of a tremendous buying power. Manufacturers

would have sale for new outputs, which would mean increased production. Workers would be called to produce and distribute goods, jobs would again be plentiful, wages high, and the standard of living appreciably advanced.

Doctor Townsend gives a number of reasons for setting $200 a month as the compensation: It will provide luxuries as well as comforts; it will require two full-time workers to produce the goods consumed by each pensioner; it will provide for a steady and continuous flow of currency; it will enable pensioners to help others, and will practically abolish poverty. The ultimate intent of the plan is a long deserved social independence for all.

W. F.

"Emergency Education" - Beulah Amidon
Survey-Graphic. September. 3500 words.

In a disused airplane factory classes of young men and women are carrying on the part of their college education that does not require laboratory equipment or library resources. These young people are victims of the depression as are the teachers under whom they study. In the Public Library is a group of unemployed "white-collar workers" discussing their reading list for their course in "International Relations." In the Community Center are a group of parents threshing out with each other and experts their problems in Child Psychology. In a vacant theatre, a group is rehearsing "The Mikado."

The above are only a few of the thousands of projects included in the Emergency Educational Program, which with an average expenditure of two million a month has taken care of 60,000 unemployed teachers since its inception in August, 1933. The salaries of these teachers are based upon the hourly or daily wage that is ordinarily paid in their community, and range from $28.20 per month for rural teachers to $46.85 for teachers in nursery schools, with the average monthly salary being $39.80.

In rural communities where school funds were exhausted, 12,000 teachers were kept on the job, making possible a normal school year for half a million children.

Nursery school training has been given to 61,300 children of preschool age. This phase of the program alone has given employment to 5,000 teachers and teachers' aids.

Emergency Education had its beginning as an experimental undertaking in New York in the winter of 1932-33, "when Harry L. Hopkins, then Director of Governor Roosevelt's Emergency Relief Administration, gave Lewis Wilson of the New York State Department of Education $30,000 to develop a work-relief project in New York City, giving employment to several hundred white-collar workers, as well as stimulating experience to the thousands of unemployed who flocked to the classes they led. The scheme was so successful that it was extended to the other communites in the state and made a recreational as well as a study program." The Federal program has, of course, been enlarged and expanded, with the co-operation of state, county, and local school officials of the different states.

In the beginning relief funds could be used only for salaries, with no provision for supplies. Later this rule was relaxed, but even with 5% of the total allotment released for supplies, many classes were still short of books and materials. The finding of rent-free quarters was another difficulty, but in the majority of cases this has been overcome and teachers are holding their classes in churches, fire-houses, vacant buildings loaned by sympathetic owners, and, in some cases, private homes.

Literacy classes show to date a total enrollment of 109,000 pupils and have given employment to 4,830 teachers. Vocational training classes have had more than 200,000 pupils under 6,700 teachers. Other classes include English, Mathematics, Political Economy, Public Speaking, Elementary Sciences, and many other subjects. A recent development is a series of resident schools and educational summer camps for unemployed women.

The college work relief plan for needy students authorized 1,207 colleges and universities to aid nearly 75,000 young men and women during the second semester of the past college year. The jobs for these students provided an average income of about $15.00 a month.

There is no doubt but that the coming school year will see much better organization and management of the Educational Program. "Probably the most important result of Emergency Education is the way it has widened the horizons of its students and its teachers. The program has brought fresh viewpoints into the schools themselves. And this is perhaps the largest item on the credit side of the far-flung, colorful, uneven emergency program--the possibilities opened up for growth and adventure for adults and children and the communities in which they live."

A. E.

"Uncle Sam's Call to College" - Frank R. Elliott
The Literary Digest. September 15. 1000 words.

The F. E. R. A. placed in our colleges and universities this Fall 100,000 boys and girls who could not otherwise have continued their studies. These students work in educational institutions about fifty hours a month, for which they receive an average monthly wage of $15.

This will probably help eradicate the 5% decline in enrollment of the past year, and may mean the reemployment of some teachers.

The work assigned to these students is of value to the colleges since it allows them to complete projects which have been dropped for lack of funds, such as: library inventories, listings of duplicate periodicals for exchange with other libraries, book repairing, map mounting, repairing of laboratory equipment, cataloguing of minerals and fossils in geology departments, and the trimming and repairing of trees.

T. L. P.

"New York City Girds for Relief" - L. H. Robbins
New York Times. September 23.

The problem of emergency relief in New York has long outgrown any expectation of the early years of the depression. With more than 1,000,000 persons, one family in every seven in the City, now on public relief in one form or another, the rolls are still growing at the rate of 1,200 to 1,500 cases daily. The total outlay for emergency relief has risen to $17,750,000 a month.

Mr. Hodson, head of the Welfare Department and leader of the relief work, states that by the end of the year there will be 500,000 families or 2,000,000 persons on the relief rolls of New York City. Home relief and work relief are each administered under separate bureaus. On the home relief rolls are 196,500 families, an increase of 21,000 families since July. Approximately 125,000 heads of families are on work relief. The City's emergency relief staff is composed of 10,000 persons, most of whom are trained in welfare work.

The rent of people on relief is paid by voucher. All other home and work relief goes to them directly in the form of a draft, delivered to the recipient in person at his home by couriers of the Controller's Office or paid to the worker on the job. A home relief check covers the needs of the family for two weeks. The work relief jobs are spread so that each man doing skilled work receives no more than $60.00 a month, and unskilled labor $48.00 a month.

Mr. Hodson states: "The longer recovery takes, the fewer workers there will be to come back strong in morale and self-reliance. Our present plan of relief is superficial. It applies salve to the wound and is not a fundamental cure for anything."

The following is the new three point program of the Municipal Assembly to obtain funds for the city's share of the relief burden:

1. A tax of 1/10 of 1% on gross receipts of business in excess of $15,000, doubling the present tax affecting corporations, business houses and professional firms.
2. A City income tax amounting to 15% of the Federal income tax on incomes earned in New York this year, this tax to be additional to Federal and State income taxes. Payments made on the gross business receipts tax are deductable from it.
3. A "Municipal Relief Membership Association," the membership tickets to be sold probably for $2.50 and the highly paid "officers" to be chosen by lot every six months - in other words, a thinly disguised public lottery.

A. G. K.

"Slum Clearance in England is Placed on a Time Schedule" - Mary K. Simkhovitch
New York Times. September 9. 1000 words.

Since the war, at the beginning of which Tommy Atkins had been promised that he and his comrades would return to "homes fit for heroes," working-class housing has moved on apace in England. Most of the work has been done under power granted to the municipalities, and through credit extended by the national government for this work under the direction of the successive Ministers of Health. 2,300,000 homes have been built, more than half of them with subsidy, the remainder with private capital.

In a recent report by Lord Balfour the following statement was made: "The provision of housing accommodations, not below minimum standard, for every family in the Kingdom at rents within the family capacity to pay should be accepted as a public responsibility and a national service."

Subsidies have been at the rate of $65,000,000 per year since 1919. This amount is now considered inadequate. Lord Balfour has recommended an advance of public funds totalling $2,000,000,000 to insure immediate construction of a million homes.

The rate at which obsolescence and decay of existing homes has outpaced construction necessitates this expenditure. This unforseen factor has allowed slums to grow despite the government's housing program.

Local authorities may declare an area either a clearance or an improvement area. In the former case all buildings are completely demolished and then improved ones are reconstructed, while in the latter only essential demolition or improvements are carried out. In individual cases the local authority may require either repairs or demolition, taking action itself in default of the owner.

The existing municipal authorities will proceed at once with the problem of rebuilding 57,000 new homes to replace the 53,200 houses which will be demolished. The central areas of the cities are the logical locations for the new housing operations since transportation is a major consideration for the ordinary worker.

The government has prepared a time-table for progress of slum clearance problems, together with a coordinated plan for re-housing tenants displaced by the demolition of their homes.

A. T., Jr.

"The New Deal on the Farm."
Based on editorials in the New York Times, September 16, and the York Dispatch, September 21.

The A. A. A., defending its policy of crop curtailment, states that in discouraging the production of foods when many were hungry, it has applied this policy only to crops which were formerly exported but are now piling up at home because of tariff wars which have destroyed many of our foreign markets. If production would have continued at its former rate, even after feeding every hungry person, the country would still have had a surplus of farm goods which would have caused the farmer's purchasing power to continually decrease.

Curtailment of production is neither an unorthodox device nor a Democratic innovation. A Republican Secretary of Agriculture said in 1930: "Production in a number of important lines is out of balance with the market and surpluses pile up continuously." He urged the necessity of "collective action to bring supply into better relationship with demand," and specifically recommended "control of the acreage of land under cultivation." Objection is now made not to "the principle of curtailing an agricultural plant expanded to supply markets which no longer exist" but to the methods employed to achieve this purpose, particularly the compulsory control of cotton and tobacco.

The length of time bounties will be paid to farmers depends upon how long it will take prices of basic farm commodities to reach a theoretical parity with industrial goods which the farmer purchases.

In 1930, there were 6,288,648 farms in the United States, each worth, on an average, $7,614. The farmers accumulated $57,245,544,269 in property before the New Deal. This amount was acquired before regimentation, crop curtailment, and agricultural planning came into existence. At this time, nearly one half of the farms were operated by owners, and 53.9% of the farms had no debt.

The Indianapolis Star is quoted as taking the position that the farmer, although so accustomed to great natural abundance that he has been careless and wasteful of his soil resources, has recovered from periodic depressions before and sees no need for governmental supervision now.

W. F.

"The Farmers Get Tough" - Carey McWilliams
American Mercury. October. 2500 words.

The farmers of the Imperial Valley in California have attempted to set up a government of their own, and have, to a great extent, succeeded in establishing labor laws which they enforce in medieval fashion. Strikes of the cotton, pea, and lettuce pickers were settled by a well organized band of vigilante who carried out their high-handed ideas, such as arresting, on charges of disorderly conduct, a group of eighty-four men who were guilty of no other crime than that of trying to form a labor union, and, in another case, arresting a woman truck picker who had been in the Valley less than forty-eight hours, charging her with vagrancy, thus using the regular civil officials of the Valley as a blind.

The recent trend of events in California would indicate that the modern farmer is no friend of labor; on the contrary, he is one of the most difficult enemies with which the working man is confronted.

EXCERPTS FROM THE NEWS

New Jersey is trying out a new cash relief system under which each family on the rolls receives twice a month a check equivalent to the amount of the grocery order it would have received under the previous system, plus a 20% increment for incidentals. Under the cash system, the representative member of the family may be called upon to work up to one hour for every 50¢ received. The principal safeguard of the system is the provision that families mismanaging the cash, as shown by their inability to make it cover food for the period, will be permanently returned to the food-order system. Relief recipients also receive orders for pork, lard, cheese, and beef supplied by the Federal Surplus Relief Corporation. Relief other than food, such as rent, fuel, clothing and medicine, will continue to be authorized on individual orders on the recommendation of case workers. In July, relief cost an average of $6.22 per person for 31 days, and $24.57 per family. The cash plan is expected to mean an increased cost, because of the 20% increment, but its proponents contend this will be offset by the improved morale.

(- New York Times, September 16)

Harry L. Hopkins has approved the giving of relief to owners of motor cars, since automobiles are a tool of trade and an aid in seeking jobs. The Washington Taxpayers Protective Association found that of 6,000 receiving relief funds in the national capital, 570 arrived or drove away in automobiles and two used motorcycles. (- United States News, September 17)

James A. Moffett of the Federal Housing Administration estimates that loans for modernization and repair of buildings throughout the United States are being made at the rate of $1,000,000 a day.

(- New York Times, September 20)

The P.W.A. filed condemnation suits in Federal Court at Chicago for 37 square blocks of property, to be used for a low cost housing project to care for 3,000 families. This project is to cost $12,000,000.

(- Christian Science Monitor, September 25)

Allotments of P. W. A. funds for forest improvements during the past year financed the following accomplishments: 4,530 miles of roads and trails were constructed; 3,113 miles of telephone lines, 1,394 miles of fire-breaks, 3,101 miles of fences, and nearly 2,000 miles of boundary surveys were completed; more than 19,000 acres were cleared of fire hazards; 660,307 acres were surveyed; timber resources were estimated on more than 36,000,000 acres; tree disease and insect-control work was done on 893,236 acres, and rodent-control on 5,120,188 acres; timber stand improvement cuttings were made on 274,386 acres; range surveys covered more than 11,000,000 acres, and studies of cover type and volume, 12,000,000 acres. The sum of $40,000,000 was expended in the year ended August 25. The peak of employment on these projects was reached in July with an enrollment of 20,000.

(- New York Times, September 19)

Last year 29 people starved to death in New York, and 57 more starvation cases were treated in hospitals. In addition, 110 persons, most of them children died as result of malnutrition. A large majority of the starvation cases were homeless middle-aged men, despite the fact that the Central Registration Bureau for Men was making every effort to publicize the fact that it had empty beds and two meals a day for all comers.

(- Midmonthly Survey, September)

The New York State Federation of Labor is urging both the Republican and Democratic parties to adopt platform planks providing for State unemployment insurance based on the principles adopted by the A. F. of L., the cost of such insurance to be assessed against industries included, and the State insurance fund collected to be invested, managed, and disbursed by the State.

(- New York Times, September 16)

Thousands of German youths, between the ages of 18 and 25, are to leave city life to spend a year working on farms and in construction camps, for which they are rewarded with their board, lodging, and a very small allowance. Although the movement is given the title of "Unemployment Relief," since their places are being filled by married men, as a matter of fact, all single men of eligible age are practically commanded to go, and business firms are urged to release any young men who refuse to participate in the new program. On the other hand, assurance is given to the man leaving his job to go to the country that he can return to his former occupation at the end of the year. The plan is expected to relieve unemployment in urban centers. It applies to women as well as men. (- Baltimore Sun, September 23)

Miss Frances Perkins, Chairman of President Roosevelt's committee on economic security named to prepare the way for legislation on unemployment insurance, in a recent address in Boston, advocated that Federal unemployment insurance should be compulsory. (- Baltimore Sun, September 25)

The list of persons receiving unemployment insurance benefits in England declined from 2,508,000 in July, 1933, to 2,162,000 in July, 1934. The number of small dwellings being built with private capital in England is 25% greater than last year. Government financing of home construction is decreasing. The cost of living is about 2% higher now than it was last year.

(- York Dispatch, September 18)

22,000 applications for homesteads are now on file with the Division of Susbistence Homesteads. There are more than four applicants for each of the 5,000 small farmhouses planned. The applications are in addition to more than 300,000 inquiries which have been received from persons wishing to buy homesteads. (- United States News, September 17)

Fort Fairfield, Maine, is reducing the cost of relief and, at the same time, raising the social standard and morale of its dependents by the development of a "community park" plan. It is comprised of twenty small dwellings, built for the needy by the needy, achieved with the help of Federal Relief funds.

(- Christian Science Monitor, September 21)

The 69,000 subsistence gardens planted last Spring throughout New York State under supervision of the State Temporary Emergency Relief Administration have yielded $2,800,000 worth of vegetable products. This harvest was made possible at a cost of approximately $500,000 to the State and municipalities cooperating in the program. Most of the vegetables have been consumed by the producers, who, in accordance with the T. E. R. A. stipulations, had to be on either home or work relief rolls. The vegetables not consumed will be canned for use during the coming Winter. Canning kitchens will be set up throughout the State. Twenty-four are already in operation. Gardeners may take their surpluses to the canning kitchens and preserve them under instructions of a supervisor. The retail value of the canned products will be approximately $75,000. These canned goods will be kept by the growers in all districts except Nassau County, where the vegetables were grown on a 15-acre tract as a work relief project. These canned products will be turned over to the Department of Public Welfare for distribution among the needy. The Nassau County canning kitchen will be operated as a work relief project.

(- New York Times, September 24)

Italy's farming industry is to be organized into two groups: the Fascist Confederation of Agriculturists, for the owner-managers, and the Fascist Confederation of Agricultural Workers. The function of each is to coordinate the aims of the class it represents, to give it a strong central representation for matters of collective interest, and to establish principles for collective working agreements. Each group will be represented locally by provincial unions.

(- New York Times, September 19)

W. I. Myers, Governor of the Farm Credit Administration, announced that approximately 7,275 farms have been repossessed by their owners since the F. C. A. began to advance loans to farmers.

(- Christian Science Monitor, September 26)

Farm Credit Governor W. I. Myers said that since the $2,200,000,000 program for refinancing farm mortgages was launched a year ago, the Government has refunded and taken over a billion dollars worth of farm mortgages.

(- United States News, September 17)

According to the American Federation of Labor, unemployment in August was greater than in July. In August, 10,834,000 were without work in industry compared to 10,793,000 in July. Retail stores, because of the dull summer season, added 40,000 to the unemployed and the drought nearly 50,000 farm laborers, while the railroads released 17,000 from their payrolls. This was offset by slight gains in those industries whose Fall business begins early. Manufacturing took in 68,000 temporarily in August, building 10,000, and road work 19,000. In August, last year, because of the President's Reemployment Program, 800,000 went back to work, but in August this year no effort was made to create jobs, so unemployment increased by 40,000. The net gain over August of last year is only 125,000, whereas there was a net gain of 2,000,000 at the beginning of this year compared with the same month of last year. Because of the high unemployment in June of this year, we had 3,716,755 families on relief compared to 3,789,026 families in June a year ago.

(- A. F. of L. Official Report, September 27)

New Jersey employment in manufacturing plants showed a gain of 0.7% in August over the previous month. Average weekly earnings increased 1.4%. Compared with August of last year, the employment increase is 10.3%, and the average weekly earnings are up 3.6%. (- New York Times, September 28)

A recent decision of the Pennsylvania State Supreme Court (in the case of Simon P. Romig, an employee of the Champion Blower and Forge Company of Lancaster, who suffered a temporary total disability in January, 1932) determined that a part-time worker, injured on the job, is entitled to compensation on the basis of a 5½ day week. This decision, being retroactive, will involve payment of about a million dollars on cases which have arisen in the interim between this accident and the final judgment. (- Midmonthly Survey, September)

Secretary Perkins announced net increases in August of 15,000 in industrial employment and 30,000 in employment on Federal and State projects. More than 1,210,000 were employed in the Federal Emergency Work program, an increase of 12,000 over July. The increase in factory employment was estimated at 73,000, which, however, was largely offset by declines in some non-manufacturing industries. The estimated payroll advance was $1,000,000 a week. While factory employment increased 1% from July to August, payrolls advanced 3%.
(- New York Times, September 19)

Reports from college administrators in New York City showed a general increase in registration. At Columbia University, the entering class will be the largest in 4 years. The summer session enrollment showed an increase of more than 10% over that of 1933. (- New York Times, September 23)

The National Education Association, in their recent convention in Chicago, proposed "expanded high schools" to cater to the 5,000,000 boys and girls under 20 who are out of school with no jobs. (- Christian Science Monitor, September 22)

A recently issued report shows that a total of 423 men students, or 15% of the total number of men enrolled during the school year of 1933-34, on the Los Angeles campus of the University of California were 100% self-supporting. An additional 252 men earned sufficient money in part-time work to defray between 75% and 100% of their support. Another 472 earned between 50% and 75% of their expenses, while 143 others earned part, but less than 25% of the sum required to carry them through the school year. Some of these men worked from six to eight hours a day, in addition to carrying on their studies.
(- New York Times, September 25)

The strike in Hopewell, Virginia, at the plant of the Tubize-Chatillan Corporation, manufacturers of rayon and rayon yarns, was called off after ten weeks. 2,000 persons had taken part. The plant and machinery were seriously damaged through sabotage and corrosion due to idleness. Repairs will cost thousands of dollars. The company will reopen its knitting mill, employing about 300 workers, but will not reopen the main plant, which they feel cannot operate profitably under present economic conditions. Last month, $11,000 was spent for Federal relief in Hopewell, most of the money going to persons formerly employed in the Tubize Plant. (- United States News, September 17)

The Puerto Rico garment manufacturing industry has lost 50% of its business since the N.R.A. code has advanced labor costs. The displaced workers are dependent upon the Emergency Relief Administration.

(- Christian Science Monitor, September 26)

Wage increases exceeding $10,000,000 annually were granted to packing house employees by four leading firms in Chicago. More than 100,000 persons will be benefited by this action, effective October 1, which amounts to an 8% increase in hourly wages. With the new rates in effect, employees will be receiving about 36% more in wages than before the advent of the N.R.A.

(- New York Times, September 25)

Automobile employment, as a whole, decreased 6% in August, but payrolls increased 8.2%. For the first 8 months of 1934, the Ford company's production increased 97.5% over the corresponding period last year.

(- New York Times, September 18-19)

For the first eight months of 1934, general business conditions in the far West showed improvement over the corresponding months of 1933, according to the Bank of America Index.

(- Christian Science Monitor, September 25)

Italy's industrial production, in the first months of this year, has been averaging only 9% below the production in the boom times of 1928. It is asserted that this represents the greatest proportional increase in recent times of any country except Great Britain. However, Italy's export trade continues to lose ground every year. In the first 8 months of the present year, the excess of imports over exports totalled 1,655,000,000 lire, as compared with 950,000,000 lire in the same period last year. Italian unemployment which averages close to 1,000,000 throughout the year, is due largely to the decrease in exports. Unemployment is largest in those areas which produce for the export trade.

(- by Arnaldo Cortesi, in the New York Times, September 23)

ANNOUNCEMENT OF NEW BOOKS

A Program for Unemployment Insurance and Relief in the United States by Alvin H. Hansen, Merrill G. Murray, Russell A. Stevenson, and Bryce M. Stewart.
University of Minnesota Press, Minneapolis. $2.50

A plan for economic security.

Women Without Work, compiled by the Joint Committee on Research, Community Council of Philadelphia and the Pennsylvania School of Social Work.
Community Council of Philadelphia. 47 pp., tables. 10¢.

A study of 1,654 unemployed destitute women living alone in Philadelphia.

Women Who Work by Grace Hutchins.
International Publishers, New York. 285 pp. $2.

Data gleaned from factual government reports, presenting, from a Communist point of view, a vivid picture of the exploitation and hardships of American women in industry, agriculture, and trades, as well as in clerical and professional work.

Social Security in the United States 1934.
American Association for Social Security, Inc. $1.75

The proceedings of the Seventh National Conference on Social Security, together with a census of old-age security in the U.S.

The Theory of Wages by Paul H. Douglas.
The Macmillan Company, New York. 638 pp. $5.

An elaborate discussion, both theoretical and statistical, of the forces determining wages.

The American Farmer and the Export Market by Austin A. Dowell and Oscar B. Jesness.
University of Minnesota Press, Minneapolis. 269 pp. $2.

A realistic appraisal of the effect of the tariff.

Economic Reconstruction by Robert M. MacIver.
Columbia University Press, New York. 250 pp. $3.

A brief for further governmental action.

America's Capacity to Consume by Maurice Leven, Harold G. Moulton, and Clark Warburton.
Brookings Institution. $3.

Studies of income and distribution.

Beyond the New Deal by David Lawrence.
Whittlesey House. $2.50

An analysis of the New Deal and its application to government and individuals, from the point of view of a conservative.

The Great Depression by Lionel Robbins.
The Macmillan Co., New York. $3.50

A commentary on the main features of the slump and its antecedents.

The Retirement of Public Employees in Virginia by Rowland Andrews Egger.
Appleton-Century Co., New York. 269 pp. $4.

This work should prove serviceable in the formulation of state-wide municipal pension systems in any state. The appendix includes a tabular analysis of governmental retirement systems here and abroad.

Brynmawr by Hilda Jennings.
Allenson, London. 246 pp., tables, charts, maps. 10s., 6d.

A study of a distressed area, based on the results of the social survey carried out by the Brynmawr (Wales) community study council.

Medical Care for the Unemployed and their Families under the Plan of the F. E. R. A., compiled by M. S. Leuck.
American Public Welfare Association, 850 E. 58 St., Chicago.
28 pp., tables.

The Social Survey of Merseyside, edited by D. C. Jones.
University Press of Liverpool. 3v. ill., tables, charts, maps.
v.1, 15s.; v.2, 21s.; v.3, 25s. Set, £2,5s.

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THE UNEMPLOYMENT RELIEF DIGEST

A semi-monthly bulletin presenting in compact form the substance of recently published material concerning unemployment and the administration of relief.

State Emergency Relief Board

Department of Research and Statistics

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"Social Security - Fiction or Fact" - Abraham Epstein
American Mercury. October. 6000 words.

Unemployment insurance cannot abolish unemployment; old age insurance, old age indigence; nor sickness insurance, industrial accident. Social insurance cannot basically change a social system. "Nevertheless, social insurance is extremely worth while. We buy and think lightly of life insurance even though the agent, while promising us everything else, does not throw in a guarantee against death to boot. Without claiming to abolish our present day evils, social insurance does offer the best means so far devised for the most feasible alleviation of the major economic evils resulting from our present industrial order."

Programs of social insurance have been adopted in almost all of the industrialized nations of the world. The victories of its exponents have been attained only after massed movement by united liberal factions, against reactionary employer groups.

Americans, despite the efforts of a generation of liberal leaders, remain far behind in the adoption of even elementary social legislation. The failure of social legislation to take hold in America can be attributed to the following causes: (1) Hurried, chaotic industrial development and the exploitation of natural resources, both of which retarded the realization of the evils arising out of our industrial society. (2) The lack of an effective radical political movement. (3) The unwarranted opposition of the American Federation of Labor. (4) The varieties of legal jurisdiction and limited powers of Congress. (5) The opposition of American employers: "More menacing even than the employers themselves are their professional agitators - the host of 'research' directors and secretaries of Chambers of Commerce, manufacturers' associations, trade groups, etc., who must justify their high salaries by baiting their employers into a belief that catastrophe is upon them whenever the mildest necessary changes in labor legislation are suggested. This is accomplished by the most brazen hypocrisy. American employers' organizations rarely oppose labor legislation on purely economic grounds. Labor laws are fought not so much on grounds of cost which presumably industry cannot afford, but usually on the patriotic and moral grounds that even the slightest reform endangers the very foundation of the Republic by encouraging thriftlessness, undermining ambition and degrading the ideals upon which this nation is built." (6) Legislative committees are too frequently made up of new, inexperienced, and sometimes very ignorant men.

In view of our social-legislation backwardness, the task before the President's Committee on economic security becomes manifest. Before any program can be considered, the following basic questions must be answered: (1) Shall the law be on a federal basis or shall it be left to the individual states? (2) How comprehensive a program should be sponsored? (3) What principles must underlie such a program?

Most writers agree and the President urges that social insurance should be national in scope. This is obviously most desirable since it offers among its many advantages the complete realization of the actuarial principle of distribution of risk. It is unfortunate, however, that the adoption of such a program would be subject to the concentrated resistance of all reactionary forces. The author feels that in view of this fact state programs, nationally sponsored, should be devised.

How comprehensive should the program be made at this time? Since we stand lowest in protective legislation, America obviously needs the most comprehensive program that can be devised. However, since the

entrenched formidable forces that have resisted social legislation are as powerful today as they have always been, and since we have had no experience with the administration of social insurance, a comprehensive plan is not only faced by concentrated resistance but is also endangered by the sheer top-heaviness of administration. The author contends that we should aim, therefore, to deal principally with old age pensions and unemployment insurance. "By no means must this program be tied up with land reclamation, housing or decentralization of industry as suggested by some administration spokesmen."

The principles upon which such a program is based should aim to develop a strong foundation upon which a sturdy structure can be built.

E. H. O.

"Workmen's Compensation as a Phase of Social Insurance" - David M. Schneider
Bulletin No. 1, Department of Social Welfare, State of New York. 5300 words.

It is customary to consider workmen's compensation as the most widespread form of social insurance actually in operation. But, according to the author, it is necessary to make clear why workmen's compensation came into being, through causes which do not hold true for other forms of social insurance, and to demonstrate that workmen's compensation in its present form is inequitable in many ways, so much so that it can scarcely as yet be called a form of social insurance.

Apparently workmen's compensation is based on the theory of occupational risk - that industrial injuries are a necessary and inherent hazard of industry to be borne by industry as an item of the cost of production. But since the wage losses are compensated in only a small degree, in actual operation, workmen's compensation is not based upon the theory of full occupational risk.

Therefore, according to the author, in only a very limited sense can workmen's compensation be considered an entering wedge for social insurance. If workmen's compensation were really based on the theory of occupational risk, wage losses would be compensated for in full, and so the acceptance of compensation would imply the acceptance of other forms of social insurance.

According to the author, an industrial hazard is "anything within an industry which impairs the earning power of a worker" and therefore includes industrial accidents, sickness growing out of occupations, and above all unemployment. The author traces the history of industrial hazards and the events that led up to the adoption of compensation laws which now exist in every state except four. In a review of the present compensation laws, he avers: "Had the principle of full occupational risk really been accepted the result would have been simple compensation legislation unified by the conception of reimbursing the injured workman and his family to the full extent of their loss. But instead we are confronted with a bewildering variety of laws and rules, the net result of which is certainly not adequate reimbursement of losses from accidents."

The author suggests that a compensation premium of 1% of total sales would not be a serious burden to industry, but would be sufficient to establish a splendid system of workmen's compensation with benefits comparable to actual wage loss and covering a considerable part of occupational diseases.

H. G. M.

"A National Program for Unemployment Insurance" - Paul H. Douglas
The New Republic. October 3. 1600 words.

Mr. Douglas suggests several alternative plans for an unemployment insurance program.

The levying of an excise tax of a given per cent on payrolls of business enterprises and the passage of an act to make provisions for the unemployed who are not eligible for the benefits from such a tax, are advocated by Mr. Douglas. He further favors a federal system instead of state unemployment insurance, and frowns upon the Wisconsin system which provides that premiums collected from a given company shall be used only to pay benefits to those who have been employed by that organization. He prefers the Ohio plan of a statewide fund, which would equalize benefits and obtain all economies permitted by a pooled reserve.

State systems, if adopted, should be required to meet adequate minimum standards. The minimum number of workers should be three instead of the ten required by the Wisconsin plan, and the benefit period should cover at least 15 weeks.

In order to qualify, one must have contributed for at least 20 weeks during a year. Millions now out of work are unable to qualify in this way at present. For them, C.W.A. work is advocated. The Federal Government must not delude itself into believing that unemployment insurance will reduce sums spent for relief.

C. F. K.

"End Poverty in Civilization" - Upton Sinclair
The Nation. September 26. 1400 words.

The author, a well known Democrat, refers to the barter groups that have been in operation in California since 1930, and claims that his E.P.I.C. Plan is merely an extension of that idea to take in the whole state. "Now we are going to put the whole credit power of the State of California behind them and they are going to expand into a gigantic cooperative in which 1,250,000 persons will take care of themselves. It is an American Plan, in line with our tradition of self-help and self-reliance. It makes no use of foreign words and it says nothing about class struggle. It takes note of the fact that almost everybody in California is middle class; even those who belong to the working class don't know it or won't admit it."

Because interest has been aroused throughout the country concerning this plan, Mr. Sinclair states that "the movement will no doubt grow rapidly unless there is a very great difference between the people of New York and those of California." He suggests that the name E.P.I.C. meaning "End Poverty in California" can readily be changed to read "End Poverty in Civilization."

H. G. M.

"EPIC and the Ohio Plan" - Raymond Gram Swing
The Nation. October 3. 1800 words.

Upton Sinclair, who for the past thirty years has been peppering the public with his broadsides against capitalism and his predictions that private wealth would destroy itself by its own greed, is at present well out in front of his eight opponents for the Democratic nomination for Governor of California. He has unfolded a plan, EPIC ("End Poverty in

California"), by which he would endeavor to make over the State of California in two years. He proposes the establishment of "economic islands" where the unemployed would be self-sustaining, and would acquire bankrupt factories to produce basic necessities. Scrip would be issued to the workers by a public body, which would also issue bonds for the purchase of land, factories, machinery, etc. The sales tax would be repealed and heavy levies made on inheritances, incomes, public utilities corporations, and idle, unimproved land. Mr. Sinclair claims that the ultimate aim of his plan is to "save Democracy without a revolution" by the elimination of the profit system. His chief gubernatorial opponent on the Democratic ticket, George Creel, a Wilson war-time propogandist, believes this plan would wreck the State financially. The author contends that the EPIC plan, in operation, would be socialism achieved through bankruptcy of private business.

Mr. Swing compares the EPIC with the Ohio Plan. He tells how, though seeming to be alike, they are fundamentally different from an economic standpoint. Ohio's unemployed may obtain products from a dozen factories operated under its plan. The products are not paid for out of the $20 relief money allowed these people, but they buy them nevertheless. The currency of the purchase is the work done in excess of the hours worked to draw the $20. The unemployed work for the unemployed, and make goods to be exchanged among themselves outside of ordinary business channels. The Ohio Plan does not reduce the cost of relief to taxpayers.

A dozen factories leased in Ohio turn out various articles advertised in a catalogue. The factories, previously idle, are not now in production for any consumers other than the unemployed. A pledge has been taken by the administrators of the plan to the effect that should a factory become able to manufacture profitably for general consumption, it will be turned back to private business. Likewise, a pledge has also been given to the effect that any worker in a leased factory who refuses a job under a private employer will be dismissed. Private business may look askance at the Ohio Plan. However, the economic effect on private business is one thing to consider, and the effect on the recipient of relief is another matter equally important. The author states that "business cannot consistently complain of the disturbance to business and at the same time oppose increasing expenditure for relief." The Ohio Plan is safe politically only so long as it is kept within modest bounds. Such is the dilemma arising in a vast social experiment such as federal relief.

A. B. P.

"Making Jobs"
Editorial, New York Times, October 9. 800 words.

The Federal Emergency Relief Administration has initiated a work program for the manufacture of mattresses, shoes, furniture, and other goods, as a method of making jobs for the unemployed. This procedure has the hearty support of certain elements in the country and especially the makers of EPIC plans who want to do this very thing on a much more extensive scale. It is argued that direct relief payments are demoralizing, that the unemployed demand work, and that goods manufactured in this way, to be given to other unemployed, merely take up the slack in production and do not really tend to displace goods made by private manufacturers.

With this program the author does not agree, since it is difficult to make sure that these goods are given away in all cases to people who would not otherwise buy them. If this separation can be made, then the United States should have given away cotton instead of plowing it under. On the other hand, if such articles are given to people who would otherwise buy, the commercial demand is reduced and regular workers lose their jobs or fail to obtain employment in private industry.

The author finds substance in the complaint of the National Association of Manufacturers that this procedure constitutes "competition with private enterprise which shifts employment from private to public enterprise and serves to retard stable recovery." He claims that the relief agency is called upon to set up business overnight, with inexperienced men, and usually in the most inefficient factories of the industry.

According to the author, direct cash relief puts purchasing power into the hands of individuals and this creates or maintains employment. If these goods are to be supplied by industry, a more profitable and efficient plan would be to turn the production over to going manufacturers, provided wage rates are not too high and the manufacturers do the work at cost or after genuine competitive bidding.

H. G. M.

"Emergency Employment in Theory and Practice" - Richard Lester
Journal of Political Economy. August. 7500 words.

The question which has faced America for four years is what to do with workers rendered idle by the interplay of economic forces over which they have little, if any, control. The solutions advanced are far from satisfactory.

There is no doubt in our minds that relief work, rather than public charity, will partially solve the problem. But relief work, or "made" work brings about economic difficulties.

A statement of the economic principles upon which emergency employment programs are based would read as follows: (1) Worth-while, "non-competitive" work for the unemployed will in no way interfere with other public or private employment. (2) Employment of unemployed on socially desirable made-work projects will save the community "considerable ultimate expense." (3) Wage rates can be set for such non-competitive work which will have no effect upon the rates paid for normal commercial or public work. (4) Such emergency work will leave the worker as well, if not better, prepared to resume his regular work.

It has not, of course, been possible, in administering relief work, to conform strictly to these principles. Having temporized, improvised, and relied on out-of-date methods for three years, some relief workers frankly confess the error of their ways and state that "any conditional mixing of work and public relief (under present conditions) is both socially and economically unsound." Even the F.E.R.A. now admits that "as a national program work relief fell short of realizing what had been hoped for it."

The definition of "non-competitive" employment is far from clear-cut. In Illinois, such emergency work is limited merely to that for which "budgets of the local political units have been unable to provide," and in New York to "work undertaken by a municipal corporation independent of work under a contract or for which an annual appropriation has been made." The definition adopted by the R. F. C. confined

work relief to "worthwhile projects which could not otherwise be undertaken at the time or in the immediate future." The F.E.R.A. definition states that work relief projects should be confined to public property or private institutions regularly receiving support from public funds, the work to be "in general, apart from normal governmental enterprises and not such as would have been carried out in due course regardless of an emergency."

According to a statement made before a Senate subcommittee, "relief of the unemployed has proved to be, to no small extent, merely an arrangement by which some men are deprived of their regular employment, in order that other men might be given, in rotation, a three-day's turn." This policy was so evident that "it came to be recognized, even among the workmen, that it was impossible, in this artificial manufacture of municipal work, to avoid anticipating the ordinary employment of the permanently engaged staff of laborers, or that of the contractors, so that the very employment of the Unemployed was creating, for the future, even more Unemployment."

Admitting that emergency work cannot be both "value-creating" and "non-competitive," - has the employment of the unemployed at normal municipal work in competition with the regular force resulted in an ultimate saving to the community? The answer, we find, is most emphatically, "No!" In some cases it would have been more economical to have distributed, in the form of direct relief, the amount paid out in relief wages and to have provided for the construction of civic work later. In one case in particular, a job that would have cost $40,000 done by a contractor, using machinery, actually cost $120,000 using relief employees and chiefly hand labor.

Though the labor on emergency projects is assumed to be non-competitive, the wages are not. Emergency employment on public work is bound, directly or indirectly, to affect the standard of public work and pay. If less than the so-called prevailing rate is paid, then the emergency employees are, in a sense, undercutting the regular force, and, with an emphasis on economy, there is a tendency for the emergency group either to replace the higher-paid regulars or to force down existing wage scales. If, on the other hand, the same rate is paid both emergency and regular workers, the untrained emergency workers are undoubtedly overpaid, and the regular force is apt to be demoralized. C. W. A. rates, though recognizing regional differences to some extent, were above prevailing rates for most occupations and as much as 100% above previously existing rates in certain lines of work in some sections. These higher C. W. A. rates tended to bring so-called prevailing rates up to their level. Whether such high rates, as some believe, tended to prevent wage readjustments that were necessary to bring about recovery is a question difficult to decide.

Made work at regular intervals may help to preserve the unemployed worker's skill and morale, though to put a watch maker to work with a pick and shovel, a chemical engineer with a rake, or an electrician with an axe, is apt to have just the opposite effect. In practice, made work has not maintained morale and standards of work, though probably in a majority of cases it has been better than no work at all. Without the discipline of discharge, a sense of accomplishment, or an incentive for advancement, workers tend to lie down on the job. As the depression lengthened, interest in made work tended to lag and the projects tended to deteriorate. Few work projects were planned to provide jobs which those on relief were qualified to perform. Much of the work was unworthy of the workers. The fact that relief workers very soon realized that their efforts added little to

the wealth of the community had a bad influence on their morale. Men of high calibre fear they may lose caste or standing in their trade if they accept work inferior to their capacities and training. In order to have a salutary effect, emergency employment should possess the characteristics and provide the rewards of real work. It should offer a diversity of jobs that men can be given work for which they are fitted and trained. Unless the work relief program is well balanced, covering the various types and kinds of work to be found in private business, - waste, inefficiency and disillusionment, instead of relief and economy, will be the result.

A. T., Jr.

"Is Unemployment Permanent?"
Editorial, United States News. October 1.

"How permanent is the unemployment problem? How many of the 10,793,000 workers now living in enforced leisure or working at temporary jobs provided by Government funds are square pegs in round holes, forever displaced from the jobs to which they devoted years of their lives and for which they were trained?" Even should conditions return to their 1929 level, there would be 3,000,000 persons permanently displaced in all industries for whom new jobs would have to be found.

This problem of displaced workers first assumed serious proportions after 1925, when statistics showed that new machines and devices threw some 1,874,050 persons out of work between 1925 and 1928. It is doubtful if another 4,000,000 who were employed in the mining, manufacturing, and service industries in 1927 could be re-absorbed, even in prosperous times. Assuming that each worker is responsible for the livelihood of two and a half persons, then the 3,000,000 permanently ousted from certain types of employment have 7,500,000 dependents, making a total of 10,500,000 persons on a "permanent pauper list," unless new work is developed for them.

It is the belief of Dr. Isador Lubin, Commissioner of the Bureau of Labor Statistics, after considering possible fields of employment for this group, that our social services must be enlarged, providing many new jobs in health, educational, and recreational projects. It is in such lines of endeavor that these luckless individuals could find a place. Such activities should be financed by the Federal Government, the money coming from profits of industry and inheritance taxes, as such enterprises do "not lend themselves to a regime of private profits."

Take the C.C.C. as an example of a government-run industry. The officials claim that each of the 400,000 workers in these camps support three persons. Thus a permanent C.C.C. would care for 1,600,000 of the 10,500,000 who will be no longer supportable by industry, even if there should be a return to 1929 levels of employment.

As alternatives, Dr. Lubin proposes either the curbing of the use of machinery or the further increasing of employment by shortening working hours. Objections to both these proposals are that they tend to lower standards of living. A reemployment plan such as Dr. Lubin suggests would deal with workers whose ability is equal to that of those now employed, which was not the case in 1929-1931, when the ranks of the jobless were filled with inefficient workers.

M. H.

"Is the Average Unemployed Worker 'Employable'? - A Study of Applicants in the Fifteen Largest Occupations, Phila. Employment Office, 1933" - Gladys L. Palmer Industrial Research Dept., Wharton School of Finance & Commerce, University of Pennsylvania, Philadelphia. Mimeographed report.

The employability of unemployed workers is determined by a number of circumstances, some perennial and others changing in importance from time to time. Age, sex, and race have always been weighty factors, but recently the education, personality, physical build, and variety of skills of the applicants have been increasing in degree of importance in various occupations.

Among the many factors which influence labor demand is the labor supply itself. The recent trend from the employment of waiters to waitresses is an example. With the restriction of immigration, fewer experienced waiters of foreign extraction were available. Since this occupation attracted few American boys, women were substituted for men, and their appearance rather than their skill or experience came to be the chief employment factor. With the repeal of Prohibition, there came a greater demand for men as waiters, yet only a limited supply of men meet the qualifications. Although bartenders are in great demand at the moment, few of the old bartenders who have been unemployed can qualify for the new type of job. They are too old; they do not know how to mix the newer drinks; they are not the suave type now in demand.

Furthermore, many job openings today call for a combination of occupations such as machinist and stationary engineer, maintenance machinist and pipe-fitter, sheet metal worker and tinsmith, or stenographer and PBX operator. The man who was once a butler must now be chauffeur and houseman as well. The woman who formerly concentrated on being an expert cook must now do maid's work in addition to her other duties.

This study of applicants in the fifteen occupations in which the largest number of persons registered in 1932 and 1933 reveals the extent of some of the above factors of employability. (These occupations are, in order of decreasing size: laborers, servants, truck drivers, carpenters, clerks, factory operatives, n.o.s., sales clerks, day workers, machinists and toolmakers, stenographers, kitchen and pantry workers, waiters and waitresses, cleaners and janitors, painters, and cooks and chefs.) Of all men registered, one third were 40 years of age or older; of the women, one quarter were 40 years of age or older. Of the male laborers, almost one half were 40 or over, while more than one half of the machinists, toolmakers, and carpenters were 40 or over. "Over age" is serious among female applicants in such occupations as sales clerks, office clerks, and factory operatives. Few factories will employ workers over 40 years of age, and many in practice hire only those under 35. Job openings for waitresses usually specify a "young and attractive girl" and in practice girls under 25 are usually hired. Two thirds of the job openings for stenographers and clerks in a sample study made by the Philadelphia Employment Office specify 25 years as the maximum hiring age.

Negro applicants for domestic service present a special problem, as most job openings in this field call for young, white workers, while the majority of applicants are negroes. For instance, very few requisitions for kitchen workers, cooks, and chefs specify negro males, although over half of the applicants for such jobs are negroes.

Educational training is increasingly important in clerical occupations. Of all applicants for these positions, however, about one fourth have only a grammar school education or less. With the exception of clerks and stenographers, more than one half, and in certain groups,

three fourths, of all applicants have not progressed as far as high school.

The author comments that "a small but significant group of older women cooks who have had no schooling will be unable to follow written instructions and the standardized recipes characteristic of modern chain restaurant cooking. Even in the mechanical trades, men with a better educational background are more easily placed than men with little or no schooling. While this factor has become important in many occupations only in recent years, the trend indicated will probably be permanent."

In conclusion, she states that, although a minority of the unemployed are able to make their own occupational adjustments, generally by a descent in occupational prestige, "a significant proportion of workers in these fifteen largest occupations, however, will need the assistance and guidance of community organizations in making the necessary adjustments to present-day trends in employment. Many of them must change to other lines of work and need to be re-trained vocationally in order to increase their skills. Others need general educational facilities for improvement in background schooling. The middle-aged, vocationally maladjusted individual, unable to get back into his former type of work, needs, as does the recent high school or college graduate who has never been employed, the services of a community program. Such a program should be developed to meet the requirements of 'employability' in terms of present and future labor market trends."

E. E. N.

"Where City Lodgers Find Hope in Toil" - Diana Rice
New York Times Magazine. October 7. 2800 words.

New York City has developed an original method of rebuilding the character and physique of men who apply for relief at the city's Municipal Lodging House. It is to send them to a farm sixty-five miles north of the city known as Camp Greycourt, the first of its kind in the country.

Formerly this was the New York Women's Farm Colony, an institution for incorrigible girls, which was serving less than a hundred inmates at the time of its transposition. Mr. Stanley H. Howe, Deputy Commissioner of the Department of Public Welfare, is the person credited with the new idea and recent development of the farm. "Put the girls in a New York detention home," said Mr. Howe, "and put the Greycourt acres into corn, potatoes, beets, beans and Swiss chard." So the girls were moved to New York, and Greycourt was converted into a farm colony, partially self-supporting, for men who had been costing the city large sums of money."

Opened in May, 1934 with a group of some two-hundred men, it is at the present time housing seven hundred and fifty. Each of these men is credited with $6 a week earnings. Of this, $4 is allotted to pay for his food and lodging. The balance he receives in the form of coupons to be used as cash for purchases in the camp store. However, if he wishes to leave the camp, he may have actual cash instead of the coupons.

The men themselves are made entirely responsible for the success of the plan. This has developed their sense of self-reliance to such an extent that they have, with very little supervision, put 325 acres (the extent of land belonging to the farm) through the complete pro-

cess of cultivation and production with such a degree of success that they have not only grown, canned, and stored enough vegetables for their own use during the winter, but have shipped a large surplus to other state institutions. All of this came from a farm that had hitherto produced nothing but a healthy crop of weeds.

Farmers on surrounding farms hired sixty of these men this past summer and reported them very satisfactory workers. Other men, after deriving fresh courage and strength from time spent at the farm, found jobs of different types in the city. "One of the winter projects is the establishment of a factory to produce sheets, towels, and nightshirts needed by the city for its public charges. The feasibility of installing a press to turn out the printed matter used by the Department of Welfare is being considered. Greycourt points to this year's achievements as a guarantee of next year's accomplishments."

A. E.

"Forest Interlude" - Ernest K. Lindley
Today. September 22. 1200 words.

On October 1, the C.C.C. commenced its fourth enrollment period of six months. Already the C.C.C. has given jobs to approximately 830,000 men. Of these, 55,000 were war veterans, 20,000 experienced woodmen, 70,000 trained reserve officers, educational advisers, mechanics, etc., and 640,000 young men without vocational training or experience. By April 5, 1935, more than 1,000,000 men will have been enrolled, three fourths of them being between the ages of 18 and 25.

After the first enrollment period, a census of former members was taken. Twelve per cent could not be traced. Of the remainder, 77% were unemployed, 20% employed, and 3% otherwise engaged. Approximately 38% were known to have left during the first term, while at least half the enrollment had completed the term. For the second enrollment, the census discovered that 14% of the men were untraceable while 37.9% were unemployed. Among the "otherwise engaged," 175 were in school, 328 in the Army, Navy, and Marines, 928 sick or dead, and 316 in jail.

The trend of employment, as measured by men who leave camp prior to the expiration of their enrollment expressly to take jobs, has been rising.

From April 5 to September 30, 1933, 3,079 men left the camps each month because they had been offered jobs. Since then the monthly total has risen. The figures are: October, 4,927; November, 5,971; December, 7,023; January, 8,331; February, 6,601; March, 9,126; April, 10,693; May, 10,028; June, 10,693.

On the other hand, state relief directors are pleading that maximum time for each man in the C.C.C. be lengthened. The turnover because of homesickness, laziness, infraction of discipline, parental urging, and unexplained desertion is decreasing. The C.C.C. could probably obtain and hold for a long period 700,000 men under twenty-five years of age.

The author points out that "some way has to be found to keep the C.C.C. from being no more than an interlude in a world of restricted opportunity." He suggests that those who have honorably completed one year of training should be eligible to participate in the building of new subsistence communities under the supervision of the Federal Government.

W. F.

"F.E.R.A. Goes to College" - Ernest K. Lindley
Today. September 29. 1000 words.

The F.E.R.A. educational program falls into four main parts: (1) part-time jobs for college students; (2) adult education; (3) nursery schools; and (4) aid to rural schools, especially in the drought area.

The special aid to college students consists of allotting to them a small percentage of work relief money, not more than $20 per month to any individual, and not more than $15 per month as an average for any institution. This money is paid in wages which may not be less than thirty cents per hour. No student is permitted to work more than thirty hours in any one week. Student aid is limited to 12% of the enrollment in each institution.

"At $15 per month, the cost to the Government of keeping a student in college is between one fifth and one sixth of the cost of keeping him at work in the Civilian Conservation Corps. The cash payment, alone, is less than half the average for the C.C.C. And the C.C.C. workers get, in addition, free food and lodging, clothing, medical attention, and other services. The cost of supervision and materials serves to bring the cost of the C.C.C., per head, to about $90 a month. Part of this money must be put down as a long-range investment in the improvement of the nation's physical resources and as insurance against forest fires. Part of it is a relief-preventive, which is spread widely, as about two thirds of the cash wages are sent to the families of C.C.C. workers. When these allowances are made, however, the student aid program of the F.E.R.A. remains by far the cheapest method that has been devised of keeping young men and women of college age usefully occupied . . . By an increase in the average allowance, per student, from $15 to the present maximum of $20, the ability of colleges and universities to take care of them probably would be greatly increased, as their facilities for supplementing the income of the F.E.R.A. are more restricted than their capacity to handle additional students, with their present equipment and teaching forces. At $20 per month, the cost would be very little more than the cost of maintaining the same number of individuals in F.E.R.A. camps for transients. These people must be fed, clothed and housed somewhere, and it might as well be done in a way which will enable them to get their college educations." No aid is given to any student who would be able to remain in attendance without it.

Furthermore, this is "a plan in which young women can share, and the Government program, to date, has made very little other provision for them." This student-aid program requires that "jobs must be allocated between boys and girls in proportion to the enrollment of each in the particular school."

The second part of the educational program provides for literacy classes, and also for vocational training for unemployed adults who need such training to become employable. This includes preparation for trades and industry, home economics, agriculture, and commerce, and also advice concerning vocational adjustment. Training for vocational rehabilitation for unemployed adults who are physically handicapped is also a part of this program, as well as general adult education courses, covering general academic and cultural education, parental education, and avocational training.

The third phase of the educational program is the development of "a nationwide system of nursery schools for children in needy unemployed families or neglected or underprivileged homes."

The second and third parts of the program are designed to give employment to 40,000 persons who are competent to teach.

The fourth part of the plan, which is now being prepared, is designed to aid rural schools in the drought area.

A. G. K.

"Depression Jobs - A Study of Job Openings in the Philadelphia Employment Offices" - Gladys L. Palmer
Industrial Research Dept., Wharton School of Finance & Commerce, University of Pennsylvania, Philadelphia. Mimeographed report.

This study of job opportunities was based upon help-wanted advertisements in Philadelphia newspapers and upon a sample of job openings listed at the State Employment Office in Philadelphia during 1932 and 1933.

General Trends

In 1932 from 300,000 to 390,000 workers were unemployed. In the spring of 1933, unemployment increased to 420,000, but fell, in October of that year, to 260,000. By January, 1934, it had risen again to 338,000.

During 1932, a total of 7,699 job openings was listed at the Employment Office, and a total of 14,766 in 1933. Until October, 1933, although the rate of unemployment was much higher among men than among women, and twice as many men were registered at the employment office, there were more job openings for women than for men. In the help wanted advertisements, however, more jobs were listed for men than for women. Most of the advertisements for men were for salesmen; those for women were for domestic servants and factory machine operators.

Occupation and Industry of Job openings

39.8% in 1932, and 47.0% in 1933 of all job orders for men were for semi-skilled and skilled occupations. The largest number of applications were also in this group. For women, 79.3% in 1932, and 71.5% in 1933 of job orders were for domestic and personal service. Of all female applications, 40% were in this group. Clerical openings for women accounted for only 6% of all orders, while 25% of all female applicants were clerical workers. The ratio of applications to openings revealed that a woman's chances of obtaining a job through the bureau were three times as great as for a man in 1932 and four times as great in 1933.

Temporary labor shortages occurred in such highly skilled men's trades as the work of coppersmiths, coopers, and pattern makers in 1933, in the profession of social workers in both years, and in the work of female cooks and bakers and both male and female soda dispensers.

On the whole, the chances of obtaining work were better in 1933 than in 1932, with the exception of unskilled labor. Approximately 40% of requisitions for males in both years were from manufacturing concerns, and over 60% for females were from private families.

Permanency and Disposition of Job Orders

In both years, about one half of the openings for men, and about four fifths of the openings for women were to be for a month or longer. In 1933 a decrease in temporary jobs for unskilled workers occurred.

About 56% of job openings in both years were filled. The others were cancelled or closed by the bureau after failing to fill them. The largest proportion of job requisitions closed by the bureau were in domestic service. Most of these jobs carried low wages or poor working

and living conditions, or both. Five times as many job openings were closed for women as for men. In general, a higher proportion of openings for men are filled than for women.

Race and Age Specified in Job Openings

Approximately four fifths of the male applicants and three fourths of the female applicants were white, and the remainder colored. Four fifths of job orders for men were for white workers, and two thirds of orders for women were for white workers. The highest proportion of negroes obtained work in unskilled labor and domestic and personal service.

Age specifications are seldom given in exact terms. In 1932, 80% of workers placed were under 40, and 47.8% were 30 years of age or under.

In 1933, an increase of openings for middle aged and older women in skilled and semi-skilled trades seemed to indicate an effect of the N.R.A. codes in encouraging preference for experienced workers. About two thirds of the openings for women both years were for workers 35 years of age or under. In clerical work, all the job orders specify women 35 or under, and half of them specify 30 as the maximum age. Three fourths of job openings for women in trade also specify 30 as the maximum age.

Wage Rates Quoted

Analysis was made of 317 job orders reporting hourly rates in 1933 and of 5,775 job orders reporting weekly rates in 1932 and 1933. No significant changes took place in weekly rates during the two years.

For 528 job openings for men in 1933, the average hourly rate was 47 cents; for 289 openings for women, the average hourly rate was 35 cents. Openings for men in the skilled trades carried the highest average hourly rates, 50 cents, with openings in domestic and personal service the lowest, 26 cents. Women's openings averaged 36 cents an hour in clerical work, 32 cents in the skilled and semi-skilled occupations, and 20 cents in domestic and personal service. Of the men's job orders, 30.8% quoted rates under 41 cents an hour, while of the women's job orders, 39.7% were under 41 cents, and one third were under 31 cents.

Weekly wage rates for men averaged $16.83 and for women, $8.71. Over one fourth of all job orders for men quoted weekly wage rates of less than $10 a week. Of these approximately half were in the field of domestic and personal service. Three fourths of the women's job orders, on the other hand, paid less than $10 a week, the majority of these being in the field of domestic work. While most of the low-wage jobs were concentrated in the field of domestic and personal service, a scattering of all types of occupations from executive or professional jobs to unskilled labor were found with wage rates under $10 a week, and in the case of women, even under $5 a week.

E. E. N.

"Birth Control and the Depression" - Dorothy Dunbar Bromley
Harpers. October. 5000 words.

The relation between the problems of birth-control and relief have been significantly demonstrated by a number of surveys.

The Milbank Memorial Foundation, in cooperation with the U. S. Public Health Service, made an economic health survey covering 8000 urban families in the lower-income groups living in 10 different localities. Investigations showed that in 1932 there were 45% more births in families without any employed workers than in families with

one or more full-time workers. Families that were actually receiving relief had a birth rate 54% higher than those not on relief . . . The explanation of the differential birth rate in these 8000 families would seem to be that the man who shows no judgment about the number of children he sires is likely to be the man who loses his job in a crisis, perhaps because he lacks judgment all along the line."

The Federal Unemployment Relief Census discovered that, in the year that elapsed between October, 1932 and October, 1933, there were 233,822 children born to families who were receiving public relief. The total number of families on relief at that time was 3,134,678. They had, in addition to the new babies, 1,589,480 children from one to five years of age. Altogether, these families included 1,823,302 children under six years of age, the majority of whom were "depression babies." Furthermore, of the 12,500,000 persons who were receiving relief at the time this Census was taken, 42% were under 16 years of age. "This is a disproportionate number, since the 1930 Census showed that children of this age comprised only 26% of the population. It is a tragic fact that over one third of the children subsisting on relief were under six years of age, or in their most formative period."

"A composite picture of 212 families of the so-called charity class in Huntington, West Virginia, showed that the families averaged 4.7 children, with one dead child, and 1.4 abortions per family. Pregnancies occurred on the average every 14 months. In 88 of the families the supporting member had been without work for more than two years, while in the other 124 the breadwinner had averaged two days' work weekly since the beginning of Federal relief - - hardly sufficient to support a family of four children."

At the Maternal Health Clinic of Cincinnati, it was found that half of the women who applied for contraceptive advice during the past year had unemployed husbands. Dr. Elizabeth Campbell, Chairman of the medical Committee, states that "hunger and fear cannot create a wholesome life for a baby. During this crisis the birth of those babies whose coming is a cause of dread should be postponed until a better time."

"With the individual need so great and the relief problem so acute, it might be expected that birth control would have become, during the past few years, a recognized phase of public health work." The total number of clinics in the country, which was but twenty-eight in December, 1929, has been steadily increasing through the efforts of local groups and the American Birth Control League.

Notable steps have been taken here and there. The Welfare Department of Los Angeles County provides "that the mother of every family on relief shall receive birth control instruction either in a private or a county clinic at public expense." And the State of Michigan has twelve scattered clinics which serve a large number of families whose average wage runs from $2.21 to $10 per week. Yet in New York City, during 1933, "as many as 19,623 women were confined at the expense of the City in free maternity beds, at an average cost of $45 a patient, and between October, 1932 and October, 1933 there were 9,827 children born to families on public relief." There the Department of Health and the Department of Hospitals both ignore the need for contraceptive advice. The mothers' centers located in twelve different settlement houses are too few and too slightly publicized to be of much significance.

The author of the article concludes that, despite the opposition of certain religious groups, despite the reticence of many social workers, and despite the indifference of many individuals in the medical profession, "the country has become birth-control-conscious. Economic

conditions make family limitation in both the white-collar and the working class imperative."

G. R. W.

"Broken Lives: A Challenge to America" - Newton D. Baker
New York Times Magazine. October 7. 2000 words.

"Surely it is a misinformed and inexcusably complacent notion that unemployment relief from the Government meets, or can meet, all the fundamental human needs of the unfortunate in this national disaster. Something more than food and rent is required. For the saving of the human casualties of the depression and for the rebuilding of lives in jeopardy of failure, the hope must still be the hand of kindness from man to fellow-man. Through our traditional agencies of neighboring, which strive so valiantly in these times to carry on the task for the community, the hand of individual kindness can be extended as effectively as if put forth in person."

So Mr. Baker, chairman of the National Citizens Committee of the 1934 Mobilization of Human Needs, paints graphically a tragic picture of relief needs beyond actual food, clothing, and shelter, recalling that "a man may die of despair as well as of hunger."

The Government cannot hope to supply the personal relief and rehabilitation which the many privately-supported charitable agencies furnish. Yet, unless they are properly supported, their overtaxed facilities will not bear up under the struggle to carry on.

"The notion gains credence that the Government is doing all that is required; that money should not be given for 'charitable frills,' such as character-building, at a time when people are hungry, and that in 'salaries and overhead,' charitable work wastes money that should reach the needy. An examination of the ascertained facts of the situation will sharply confute those objections."

Sickness is one of the problems that ordinary relief does not care for, although there is 48% more illness in unemployed than in employed families, as was revealed by the Milbank Fund survey of eight industrial cities.

Since 1929, there has been an increase of 46% in free treatment in voluntary hospitals until today one half of the total care administered in these institutions is provided gratis. Overburdened with cases, they are being further handicapped by a falling off in incomes from pay patients and a decrease in contributions and endowment funds.

Of the public-health nursing given today, two thirds is given free which is 21% more than in the year the depression arrived. The number of children cared for outside their homes is 30% higher than it was five years ago, while 7,000,000 boys and girls are living in homes dependent on relief.

Today, one fifth of all pre-school children are underfed and one third of all children are handicapped, mentally or physically, while of this number, but 20% receive the proper care.

"Now, as always, voluntary charitable agencies must carry a heavy part of the load. How long can they survive without the support of the private giver? And if they must at last close their doors, what then?"

M. H.

"Notes on the Tennessee Valley Authority" - Paul W. Ward
Based on articles in the Baltimore Sun, October 4 and 5.

The Government's Tennessee Valley Authority power program is giving employment to thousands of persons, many of whom were workers in such industrial centers as Pittsburgh, Detroit, and Akron before the depression cost them their jobs. In addition to providing work, the T.V.A. hopes to improve living conditions and to persuade the natives to give up one-crop farming for the raising of grass and vegetable crops and for the dairy and poultry business.

In some of the semi-abandoned mining and lumber communities in this area, 75% of the inhabitants are on relief. The average cash income in the mountain counties was $45 per family in 1933, and this included $10 from relief funds. Even during prosperous times, the average yearly income of these families is less than $100.

Some 1,953 families in Tennessee and parts of North Carolina are being aided by the Tennessee Valley Associated Cooperatives, a subsidiary of the T.V.A. It is expected that 3,750 members will be benefitting from this cooperative work plan by the end of the year. This scheme was put into operation with money from a $300,000 F.E.R.A. grant of which only $100,000 has been received to date. The activities of the majority of these cooperatives center around fruit, berry, and vegetable canning, flour grinding, dairying, and handicraft textiles. A number of these products had formerly gone to waste.

Cranberry, N.C., was the home of the first cooperative, formed last July. Members bought stock in the organization at $10 a share, of which only $1 was required to be paid in cash, the remaining portion being payable in labor.

In 1934 the collective income of workers belonging to these cooperatives will be swelled by $166,000, while they will benefit to the extent of $571,400 next year, the first full year of operations.

"Rehabilitation, not relief," is the aim of the T.V.A.C. In time it is hoped such necessities as shoes and clothing may be produced by these groups and exchanged for products turned out by neighboring cooperatives.

M. H.

"So This is Bureaucracy" - Raymond Gram Swing
The Nation. October 10. 2100 words.

The author describes some of the activities of the Electric Home and Farm Authority in the Tennessee Valley and its program for the sale of appliances at low cost, in order to encourage increased use of electric current in the home and on the farm.

Perhaps the most significant feature of the whole project is the team spirit and astonishing enthusiasm of all the people engaged in this work. Some visitors have remarked that the same spirit and enthusiasm was found in the great construction projects in Russia. The author believes that the reason for this is the same in both instances. "It is the sense of doing something constructive, something creative for the common good. This is not the profit motive, supposed to be the only one that can keep the world going. It is the service motive, and in the Tennessee Valley it is already producing results better in every way than those to be had from the profit motive."

Many critics consider the T.V.A. as merely a federal power project, utilizing Muscle Shoals Dam and building other dams, with the

immediate objective of supplying electric current throughout the Valley at rates unobtainable from private enterprises. Thus, it may be linked with the five other hydro-electric power projects in the West, the entire group estimated to cost $230,000,000. There is also every indication that the St. Lawrence River Project may be added if Congress ratifies the treaty with Canada. But, in the opinion of the author, the T.V.A. is also an experiment in planned economy. "The Tennessee Valley is to be transformed not by a cheap power rate, but by human schemes in which cheap power plays a part. The Valley one day is to be a vast community of decentralized industries. Workers will live a divided life between the factory and the small farm . . . The farm gardeners will work in factories for their cash, or put the other way, factory workers will farm part of each day for some of their daily food."

"Such a development," the author suggests, "might warrant closer examination to make sure it is not part of a scheme to give private industry contented cheap labor. But in a district where most farm families do not see more than $85.00 in cash in a year, the outlook of a fair industrial wage, supplemented by profuse kitchen gardens, and of life in electrified communities with organized social activity and improved educational facilities, is above suspicion."

H. G. M.

"One Million Excluded Men" - Helen Christine Bennett
The Nation. October 3. 2100 words.

The number of "outside salesmen" is placed conservatively around 1,000,000 by Daniel Bertrand of the Division of Research and Planning of the N.R.A. They are not the forgotten, but the excluded, workers in industry. Of the 400 or more codes thus far approved by the Administration authorities, the motor-vehicle industry is the only one which makes specific provision for them.

About one third of these million salesmen are commercial travelers who go from one city to another. Thousands of them are technically trained experts. Specially trained college graduates are required to explain the intricate manipulation of the latest accounting and tabulating machinery; biological chemists visit hospitals, institutions, and physicians; agricultural college graduates sell fruit-bearing trees and blooded stock to farmers. The remaining two thirds of them are city or district salesmen, each definitely engaged by some business house.

Between one third and one half of this great army of excluded men receive less than $15 a week. In 1929, 90% of all "outside salesmen" were paid regularly for their services. In 1934, only 10% of them are receiving salaries, drawing accounts, or travel money from their employers. They finance their own way whether they succeed or fail. The industries "employing" them in 1934 assume no risk to themselves and no investment other than office overhead. These "employers" know that men eager for a chance to earn anything will assume all risks. They may even defer the payment of commissions in order to help finance their businesses. Consequently, the code of honor which formerly prevented a salesman from handling the goods of more than one concern is no longer enforced.

Factory owners, wholesalers, and jobbers opposing salaries and drawing accounts say: "You cannot control an outside man. You do not know how many hours he works. They would lie down on the job if paid

salaries. A commission keeps men hustling." Such arguments would have applied equally well in 1929. Further arguments do reflect conditions of 1934: "A salary plan adds a cost to business. Can business stand it?"

In the opinion of the author of this article, there is but one reply to these arguments. The President of the United States said: "No business which depends for its existence on paying less than living wages to workers has any right to continue in this country."

If the figures given out by business men are at all accurate, it is safe to predict that the fixing of any minimum requirements for drawing accounts, etc., would throw from one third to one half of those now "employed" as "outside salesmen" into the ranks of the acknowledgedly unemployed and would cause a resultant loss in the number of sales.

A. B. P.

"Double Time: The Deane Plan" - A. L. Deane
The American Federationist. September. 2500 words.

Organized labor's insistence upon time-and-a-half and double-time for overtime work, as a device for spreading employment, is essentially sound.

The Deane plan, which would not interfere with collective bargaining, would, at the beginning of each year, calculate the average weekly working hours for the past ten years, regardless of conditions. This average would be instituted by a Federal Reserve Fund Board as the standard working week for all industries. Restrictions would not forbid an employer to work his employees longer than these hours if he would pay double time for the overtime! The worker would receive time-and-a-half and the other half-time pay would be submitted to the Government Reserve Fund. This, thinks Mr. Deane, would cause the employer to distribute his work very well so as to avoid overtime, while at the same time he would be relieving unemployment.

For the worker who could not find any kind of employment, the Reserve Fund would function to "make work" of a socially useful type, the wages for which would be furnished by this Fund supported entirely by employers. The remainder of the Fund would insure everyone against a repetition of great economic depression. If the determined average weekly work hours proved to be insufficient to support some of the workers, the Fund would pay the necessary deficiency during any given time.

The basic intrinsic worth of this idea is that it insures a "spread-of-the-work" against relief loads; a constant balance in favor of collective bargaining; and a great deal less responsibility for the Administration in Washington.

Mr. Deane pleads that it would be un-American dodging of the problem to institute unemployment insurance or any form of dole.

A. Q. P.

"First Round to Roosevelt" - Frank Darvall
Nineteenth Century. September. 6500 words.

Mr. Darvall, in this conservative English monthly, dissects the American New Deal. He contends that it is more an attitude of mind than

anything else. This attitude implies deep dissatisfaction with the present state of America, and a determination to end such evils as unemployment, agricultural depression, insecurity of livelihood, excessive speculation, unethical business, and disgraceful political standards. Furthermore, the New Deal attitude is one of confident belief in the power of enlightened democratic leadership to end such evils, as well as to bring about economic recovery. The New Deal is willing to employ a "trial and error" method of tackling the nation's problems, at the same time keeping within the bounds of existing constitutional machinery. Moreover, the author believes that the New Deal attitude is one of intolerance toward the former dictatorship of big business and toward that inequitable distribution of national wealth which made such a dictatorship possible. The Administration displays a preference for debtors against creditors, for small men against large, for wages against profits, for agriculture against industry, without, however, admitting that the interests of such classes are necessarily incompatible.

The New Deal required the balancing of the ordinary (as distinct from the emergency) Federal budget. The emergency policy depends on Federal credit being good, so that ample supplies of Federal money may be available to keep the rest of the nation going. The monetary policy has been to depreciate the dollar in terms of gold, and so far as possible in terms of goods, in order to lessen the burden of cost (of which debts fixed in terms of money are a large element), and thus to make possible domestic and foreign sales at a profit. By the depreciation of the dollar, and by other means, the credit basis of the country has been enormously increased.

So, in addition to being largely "an attitude of mind," the New Deal is also a complicated practical policy designed to achieve the three objects of averting disaster, bringing about recovery, and carrying through reform.

The American electorate is much less keen about reform than about recovery. Accordingly, Mr. Roosevelt has adopted the attitude of a safe liberal and is stressing the "recovery," - and therefore truly conservative, - tendency of most of his measures, to keep within narrow limits the future reforms he wishes to carry. These reforms, - namely, to give to every American security in the shape of a job, a house, and insurance against forseeable disasters such as unemployment, - which aim to accelerate the planned development of the nation's resources, are mild compared with the far reaching ones attributed to him last year.

S. M. G.

"Planned Economy: Is it for Us?" - James Truslow Adams
New York Times. September 30. 2700 words.

The author's answer to the question asked in the title of this article is "no," at least not until the national character has undergone a considerable change. "A planned national economy and society means the coercion of the citizenry," he claims. Americans have developed, by reason of their past frontier life, a self-reliant national character. They have always been distrustful of government and organized power, and insistent on freedom of action for the individual. It would take a number of generations, subject to conditions wholly different from those of the past, if those forces which have developed the present national character were to be undone sufficiently to allow the sloughing off of the desire to run our private affairs in our own way.

European experience has been different. Being subjected for years to government coercion, Europeans have developed a social consciousness which permits the subordination of the will of the individual to that of society. Even England, the most individualistic of European countries, is years ahead of us in social legislation.

The author maintains that any plan is bound to fail if it refuses to allow for the national character.

T. A. V.

"Who Started This Regimentation?"- John T. Flynn
Scribner's. October. 6000 words.

The Republican leaders are showing increased devotion to "rugged individualism." The horrors of regimentation are being broadcast, and the "Millses and Fletchers are sure that the old freedom, the old initiative and opportunity of America are gone, at least for the nonce." "Of course," adds Mr. Flynn, "up to now the population as a whole has been pretty well marched about. Those who toil have been fairly well told where and when they get off. Office rules, union rules, time clocks, all reinforced by the remorseless nagging of economic necessity, have left the worker little room within which to exercise his not so rugged individualism. But now, so we are told in alarming terms, the monster which 'goeth about the world like a roaring lion seeking whom it may devour' has broken into the front office and frightened the Big Shot himself. And this is just about going too far."

There is a grain of truth in all the clamor against this new economic rigidity but the truth is that the same "muddled thinking which gave us the Old Deal (the New Era) - the gay decade of eternal and lengthening prosperity and the final extinction of poverty all built upon a gilded cloud-bank of paper - proceeds from the very gentlemen who have now given themselves this ramshackle Prussian tangle of red tape and labels which is being called regimentation."

To understand the phenomenon of regimentation we must start with the Saginaw salt monopoly of over 70 years ago and trace its growth through the rise of the Rockefeller oil interests and the railroad combines. The story of Rockefeller is particularly instructive. The petroleum industry was wasteful, chaotic, and unprofitable. Under this leadership the refiners formed trade associations which cooperated with the trade association of crude producers, who "got drillers to agree to put down no new wells for six months. They forced the producers first to stop pumping on the Sabbath and later to suspend all pumping for a month. They organized an association-owned corporation to buy up all surplus oil at five dollars a barrel and store it - to peg the price of oil as Hoover's Farm Board pegged the price of wheat and cotton. They forbade well-men to stimulate the flow of oil by exploding nitroglycerine in their wells. Those producers who were hardy enough to defy the general agreement were disciplined by bands of masked men who rode the roads at night and destroyed their derricks."

For some reason or other, oil continued to flow and Rockefeller decided that "regimentation by agreement" was impracticable. So he brought together into a giant combine all the leading producers and crushed the rugged individualists who were interfering with his plans.

It was to protect their interests against such giant monopolies that the small business man invoked the power of government and forced through the so called anti-trust laws. On the whole, they were fairly successful but they did nothing to solve the problems that had been re-

sponsible for the rise of corporate monopoly. It was still necessary to resort to cooperative action to protect business from vicious trade practices, and the line separating this from attempted control of the supply and market was hard to draw. Control of some sort seems to be necessary but "the economic mechanism of society still remains in the hands of private owners. Up to now they have not been extensively controlled as a whole, but to the extent that they have been controlled the control has been exercised not by the people but by small groups of employers through trade agreements and corporate devices. In the capitalist state, of course, the institution of private property is recognized. But private property does not mean that the property owners shall have the right to make the laws which will control property. That control, so far as it is exercised, must be in the hands of the national constituency through the democratic state."

The N.R.A. represents not a step forward but a step back to the monopolistic control of 70 years ago. To be sure, hours of labor ought to be regulated, labor should have the right to bargain collectively, and minimum wages should be enacted, but to trust the trade associations, which are chiefly interested in profits, is to betray an ignorance of their past behavior. Nevertheless it seems a little unreasonable for the men whose philosophy created industrial regimentation to abuse their own creation in the unmeasured terms that they now employ.

W. E. O., Jr.

"We Vote on the New Deal" - Frank R. Kent
American Magazine. October. 2200 words.

Here is a summary of the accomplishments of the Roosevelt program presented by one of its critics. According to Mr. Kent, this is a pivotal election upon which the future course of the country depends.

As far as the Senate is concerned, there is slight chance that the Republicans will make any gain; in fact, the Democratic majority may be increased. In the House, there is a different situation. Of the 435 House members who come up for re-election, 313 are Democrats and 113 are Republicans with the other nine seats either held by Farmer-Laborites or vacant. If the Democrats lose fewer than 50 seats, it will be a real Roosevelt victory and the New Deal will be riveted into permanence; if they lose many more than that - 60, 70, or 80, it will be a blow which will weaken the New Deal.

The Republican chances have improved greatly during the last six months. Last spring, Republicans in Congress were generally afraid to oppose the Roosevelt policies, fearing their home districts. But they have regained their party sense and fighting spirit, partly due to the crumbling of certain Roosevelt experiments such as the N.R.A. and the A.A.A., and partly due to the growing irritation with the Brain Trust.

On the other hand, Mr. Roosevelt is still popular. In addition to his personal charm, there are other considerations which weigh heavily on the Democratic side. There are about 100,000 more men on the Government payroll than ever before; many millions now live on Federal funds; millions more have obtained cash in the form of bonuses; and many others are supported in civilian camps, by public works contracts, and in other ways. All these Federal beneficiaries are voters.

In the six months ending with the adjournment of the 73rd Congress, the solidarity of the support of the President's policies diminished. On the whole, Congress was amenable to Roosevelt's wishes, but at times it showed a rebellious spirit, as when it overrode his veto of the Independent Offices bill.

However, the Federal authority, which was expanded during Roosevelt's first year beyond any previous conception, has been carried much further during the second session by the following laws: (1) The National Housing Act, which puts the Government in the real estate finance business. (2) A law authorizing both the Reconstruction Finance Corporation and the Federal Reserve banks to lend money for industrial purposes. (3) A law placing all stock exchanges under Government regulation. (4) The Communications Act, by which telephone and telegraph companies are brought under Government regulation. (5) A law under which the tariff-making power of Congress is completely transferred to the President. (6) A law under which both individual and corporate taxes are increased, and the rates on estates and inheritances raised. (7) A law "nationalizing" silver as part of our monetary system.

Mr. Roosevelt has sponsored the following proposals for the next session: unemployment insurance, old-age pensions, a coordinated Federal and State sick insurance plan, and further workmen's compensation legislation. How far these plans will be advanced by the next session no one knows, but on November sixth we shall be able to tell how the people feel about the New Deal.

T. L. P.

"Human Rights and Lefts" - George Horace Lorimer
Saturday Evening Post. September 29. 2100 words.

"The ten original amendments to the constitution were adopted to define in clear and unmistakable language certain fundamental human rights that were guaranteed to every citizen. . .It is evident, however, that there is a steadily increasing body of public opinion which holds that many adherents of the New Deal either do not understand. . .or understand it only too well and are determined to construe it to their particular purposes."

The writer goes on to deplore the unjustified division of the people into two classes - the selfish (so called) property class, and the downtrodden property-less class. The editor insists that the sympathy of the rich for the poor is as great as that of those advocating a New Deal. Furthermore, he contends that the rich of this country are giving their earnings and savings to charity. "The better educated, the thrifty, the successful, when they talk about their rights under the Constitution, have not boasted, in New Deal fashion, of their big hearts, their warm sympathies, and their good deeds. It has never occurred to them to do so. They regard giving and helping as a matter-of-course obligation and duty. .

"The Federal Council of Churches calls the New Deal divine, at least so far as its objectives are concerned. . .Its desire to feed the hungry and to relieve suffering is one that both right and left wingers can applaud. There is no difference of opinion there. But there are differences of opinion on method."

The editor believes that Upton Sinclair is the pioneer who shows the path the New Deal must logically follow unless it makes a quick turn to the right. It is he who has clarified "the issue before the country - radical socialism versus constitutional government."

J. F. H.

EXCERPTS FROM THE NEWS

In September, 1933, world unemployment was placed at 22,000,000. The total estimate is now 19,000,000 and is continually decreasing, according to the International Labor Office at Geneva. In the United States, the figure for August was 10,722,000 as against 11,793,000 in August of 1933 and 10,616,000 in May of 1934. Austria displayed 248,066 as against 291,244 for September of 1933 and 273,576 for last June. The Saar Basin territory has 32,055 unemployed at present as against 34,840 for September a year ago and 32,797 for last June. In Germany there are 2,398,000 individuals unemployed, a decrease from the figure for September, 1933, which was 4,124,288 and from the 2,525,000 of last June. Great Britain decreased her idle from 2,458,744 in September, 1933, and 2,097,251 last May to 2,135,155 at present. Decreased unemployment was noted by France, whose total is given as 357,672 for September as opposed to 363,602 for September a year ago. Bulgaria, the Irish Free State, Poland, Portugal, Belgium, Holland, Czechoslovakia, Spain, and Japan showed increased idleness. Unemployment in Sweden was reduced 40%. The Labor Office warns that the figures "given for certain countries, so far from expressing the real situation, cannot be regarded as anything more than symptomatic."

(- New York Times, October 1)

Production of commodities in the Pittsburgh district dropped sharply in July and was below July of a year ago. The number of workers decreased 0.7% in June and 2.7% in July. Nevertheless, more persons were working at least part of the time in July and their total payrolls were larger than in any month of 1932. Employment in food products increased 8.3%; transportation equipment, 3.8%; foundry and machine shops, 1.7%; and building construction, 17.0%. However, the steel works and rolling mill employment decreased 6% The payrolls of all firms in the district dropped 10.7% in July from the previous month.

(- Pittsburgh Business Review, Aug. 30)

In order that 7,000,000 women may be free to work in Soviet plants, 12,000,000 children are being cared for in public nurseries. Of the collective farms, 6,000 are managed by women, while women also comprise one half of the 70,000 workers now engaged in digging Moscow's new subway.

(- Christian Science Monitor, October 5)

At the present time, the Government employs some 82,000 more office-holders in its executive civil service than it did on June 30, 1932. Approximately 5,500 fewer positions are filled through competitive examination than at that time.

(- New York Times, October 4)

Concerns turning out clothing, food products, boots and shoes, etc., have taken back 850,000 workers since March, 1933 and now employ but 400,000 fewer than in 1929. Durable goods (iron, steel, tools, lighting equipment, cement, etc.) industries have recalled 1,000,000 employees, but are still 1,500,000 short of their 1929 quota. Building construction, professional, and domestic services, farming, and 500,000 small business men forced out of business, account for the unemployed not included in the mining, manufacturing, and service industries.

(- Editorial, United States News, October 1)

About 25,000 persons are to be put to work at once, throughout the country, to take an agricultural census which is to obtain information on acreage, yield, tenure, live stock, and poultry production.
(- New York Times, October 9)

Of the thousands of persons engaged in handling the $18,000,000-a-month relief fund for 320,000 families in New York City, only 69 get salaries as high as $55 weekly and but five receive $100 a week or over. A great majority of the workers get less than $30 a week.
(- New York Times Editorial, October 10)

The F.E.R.A. program to aid unemployed white collar workers will be operative in 45 states. To date, 600 projects have been submitted, the majority of which have been approved, and new ones continue to pour in at the rate of 125 a month. These research jobs range in size from one-man surveys in small rural districts to state-wide census-taking. The projects already planned or under way add up to 7,000,000 man-hours of work, or 70,000 jobs for one month, or 6,000 jobs for one year. The jobs will vary in length from a few months to a year. Projects planned for some of the other states are as follows: Maryland- preparation of state plan for economic and social security; New York- study of family budgets in the Bronx; Rhode Island- traffic; Maine- census of school children to discover and correct health defects; Washington- welfare; Alabama- county and municipal finances; California- slum clearance in San Francisco; Connecticut- pension systems; Vermont- tuberculosis among children; New Jersey- housing for relief families; North Carolina- unemployment insurance; Virginia- rural electrification; Indiana- dependent and neglected children; Wisconsin- rural families on relief; Illinois- farm land values; Minnesota- farm cooperatives; Ohio- urban property. Other projects are to include surveys covering relief costs, retail prices, taxes, sanitation and recreation.
(- Baltimore Sun, October 5)

An analysis of Federal Government expenditures for the first quarter of the new fiscal year reveals that out of every $100 spent, $24.90 went for Federal relief, $24.05 for public works, $9.40 for Veterans' benefits, and $9.97 for the A.A.A. Revenues not only showed a gain of 40% over the same period last year but actually exceeded the income for the first quarter of the banner year 1928-29. However, expenses have risen so that the Treasury is left with a deficit exceeding $500,000,000. (- New York Times, September 30)

Up to September first, 850,000 had benefitted from the C.C.C. plan, for which the Government had paid out $113,000,000 in salaries. C.C.C. supplies, materials, etc., had cost $250,000,000. (- United States News, October 1)

P.W.A. has spent $195,000,000 for wages and $414,000,000 for materials. This means that only about one third of the total outlay went for actual unemployment relief. Although some additional men were given work turning out the materials purchased by the P.W.A., the greater amount of money was spent for the materials. Yet the purchasing of these products did not noticeably aid the industries so affected, since they depend for their activity on long-term investment.
(- Editorial, New York Times October 4)

The R.F.C. to date has made 165,000 industrial loans, aggregating $12,628,375.
(- United States News, October 1)

The F.E.R.A. has informed the following states that they are not bearing their share of relief work: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Nevada, North Carolina, Oklahoma, South Carolina, Tennessee, Virginia, Washington, and Wisconsin. (- United States News, October 1)

New York City has 92,000 more families on home relief than it had last January. This figure is partly accounted for by the removal, between June and September, of nearly 40,000 from the work relief lists, due to lack of funds and the transfer of many to home relief after reinvestigation had showed they were entitled to such relief although not to work relief because of lack of efficiency or inability to perform manual labor.
(- New York Times, October 12)

A factual study of 10,000,000 persons on relief rolls in cities, prepared for President Roosevelt's Committee on Economic Security, shows the number of persons capable of employment, types of employment needed, and the number who will need direct relief this winter. Two thirds of the persons between the ages of 16 and 64 on relief either are seeking work or have some work. The remaining one third is composed of housewives, incapacitated persons, and students. The indications are that 40% of persons on relief who formerly had jobs worked at one job five years or more and an additional 40% worked on the same job from six months to five years. Some 25% seeking work had more than fifteen years experience in their usual occupations. 40% had experience ranging from four and one-half years to fourteen and one-half years. Some full time workers were found on relief rolls because of inadequate earnings. In the preliminary study of thirty-seven cities, 13% of those on the relief rolls were found to have part time jobs. (- Philadelphia Record, September 30)

35,000 persons are now engaged in social work whereas there were but 6,500 so employed before the depression. (- The Family, October)

More money has been spent on poor relief in Great Britain during the past year than in 1931. In the year which ended March, 1933, expenditures averaged a little under a pound for every man, woman, and child in England and Wales. In 1932-33, the number of destitute receiving relief was 26.4% higher than in the preceding year. At the end of June this year, 1,325,307 persons were completely destitute and receiving relief, as compared with 1,089,395 in June, 1933. (- New York Times, October 10)

Hitler has launched the National Socialists' second drive for winter relief funds. During the year ending in July, approximately 750,000 applications for dole or relief were refused. Consequently, many more people are now destitute than can be cared for by the regular unemployment dole.
(- New York Times, October 9)

The standard rate for the dole in The Netherlands has been reduced to $8 a week for a married couple. (- Christian Science Monitor, October 5)

The number of persons obtaining relief throughout France has reached a new level. The number of unemployed greatly exceeds the actual number receiving aid. It was stated by M. Marquet, Minister for Labor, recently, that there were 169,082 persons in the provinces receiving help; in Paris, 88,372; and in the suburbs, 68,269. The corresponding figures for 1932 were 116,724 for the provinces, 90,123 for Paris, and 59,876 for the suburbs. M. Marquet urges the intensification of public works and has appealed to the Prefect of the Seine to expel foreign workers. The figures for foreign workmen employed in France has diminished by 400,000 since 1930. This is the greatest volume of distress France has known in many years.

(- Philadelphia Record, October 2)

The French National Commission of Public Works to Reduce Unemployment recommends the spending of 10,000,000,000 francs on various projects. About half the sum will be spent in and about Paris, since the capital contains half of France's 312,000 registered unemployed. The remainder will be spent in the larger French cities. The scheme is not being financed directly by the national treasury but by money loaned, at a small rate of interest, to municipalities and departments from the Social Insurance Fund.

(- Current History, October)

College and university enrollments increased 10% this Fall. Educators attribute the rise to F.E.R.A. aid to college students.

(- Christian Science Monitor, October 1)

The National Council of State School Superintendents and Commissioners of Education, at a recent meeting, announced that federal aid to the extent of $25,000,000 will be required this year to keep schools open in hard-pressed districts. Of this sum, Arkansas needs $2,500,000; Alabama, $3,600,000; Georgia, $2,500,000; and Oklahoma, $2,000,000. The Council requested that: (1) assurance be given that the Federal Government will provide funds for the distressed schools in question; (2) the Government also consider aiding schools in 1935 in districts where state and local authorities will not have sufficient funds to operate a full term; (3) increased research be conducted to develop a program for adult education which will fit citizens for intelligent participation in settling present day economic and social questions; (4) special attention be given the construction and repair of school buildings by the P.W.A. and other Federal agencies; (5) studies should be made with a view to developing Federal participation in a national minimum program of education; (6) financial aid for college students, nursery schools, workers' classes, and adult education be continued; and (7) loans be made by the Federal Government to pay past due teachers' salaries and to refund bonded indebtedness on which schools are paying heavy interest rates.

(- New York Times, October 4)

The Farm Administration has already distributed $100,000,000 to corn and hog producers. This sum represents approximately 75% of the total first payment of $130,000,000 due farmers who cut down on corn and hog producing under provisions of the Agricultural Adjustment Act.

(- Baltimore Sun, October 4)

Harry L. Hopkins states that more than 80,000 families have been taken from the direct relief rolls during the last six months and helped toward economic independence by the Government's rural rehabilitation program. Destitute farmers are receiving aid from F.E.R.A. funds at the rate of $7,500,000 a month in the form of loans which enable them to obtain land, stock, and other items necessary in earning a livelihood. In Ohio, where 1,100 families have already been removed from relief rolls through this program, 40,000 families will receive vegetables grown in 16,148 family and community gardens. In Georgia, where 1,140 families had thus been removed from relief rolls prior to August 1st, some repayment on loans has already been made by 722. Of the $629,000 loaned in Alabama, about $350,000 has been repaid by 6,000 families in labor on Public Works projects. The average loan per family there was $111, of which more than half covered purchases of work animals, implements, feed, and fertilizer. In Arkansas, repayment is being made in the form of canned goods to be turned over to other needy families. There have been set up 1,200 community canning centers which are turning out 290,000 cans of fruits and vegetables weekly. Some 4,000,000 of these were turned over to the Government in September.
(- New York Times, October 6)

During the past year, Japanese farmers lost approximately $29,000,000 on silk, their most important crop, which has been selling at less than the cost of production. The rising cost of rice is expected to cause further suffering to a large portion of the rural population. Delegations from many parts of the country have gone to Tokyo to request a special session of the Diet that should induce the government to (1) raise raw silk prices by buying the surplus stock of cocoons, and (2) distribute free, or at a nominal price, large stocks of rice which have been acquired in recent years through price stabilizing purchases. (- Current History, October)

According to the findings of the American Association for Social Security, at the present time only 160,000 workers are covered by the combined unemployment insurance schemes operated by companies, unions, and joint arrangements. (- Christian Science Monitor, October 8)

A new organization of Waynesboro, Va., known as the Industrial Employes Republican Club, voted to boycott all business houses operating under the Blue Eagle or price-fixing codes. This threatened boycott is believed to be the first of its kind in N.R.A. history.
(- Baltimore Sun, October 4)

The Florida Emergency Relief Administration published, in August, the first issue of their "Review of Relief and Economic Statistics," a bulletin designed to give "pertinent information in condensed and easily understandable form concerning relief activities and economic conditions throughout the State of Florida." It notes that the employment curve, which excludes consideration of agricultural employment, has been declining since last March. Food prices for the State have risen 29% since March, 1933. An indication of increased business activity may be seen in the fact that the index of postal receipts rose 8% for the first seven months of 1934 over the same period of 1933. Building activity has developed a marked trend upward since January of 1933, surpassing, in the last five months, the curves for either the United States as a whole, or the Sixth Federal Reserve District.

"In My Opinion".....

William Dunn of Toronto, fraternal delegate from the Canadian Trades Union Congress, speaking before the A. F. of L. convention in San Francisco, October 3: "Such slogans and catch phrases as 'rugged individualism' are only the economic wool pulled over the eyes of the workers to blind them to their true social position."

John Stokes of London, fraternal delegate from the British Trades Union, speaking before the A. F. of L. convention, October 3: "The leisure which the mechanization of industry should bring the working classes comes to them not as leisure but as unemployment."

President Frank P. Graham of the University of North Carolina, speaking at the annual opening convocation of the University of Virginia, October 3: "The liberties and rights of lowly human beings in this (Jeffersonian) democratic tradition are surely no less American than the liberties and rights of vested interests and corporate power."

Senator James J. Davis of Pennsylvania, addressing the A. F. of L. convention and referring to recent developments in Washington: "Too much of our recent legislation has been nothing more than ropes with which to bind Samson."

General Smedley D. Butler, in addressing the convention of the Veterans of Foreign Wars in Louisville, Ky., on October 2, and referring to A.A.A. hog-killing program: "I have traveled all over Pennsylvania. I have seen miners of the soldier class living in coke ovens, 400,000 of them starving in Philadelphia, while you fellows are making fertilizer out of food."

From editorial in The Family magazine for October, 1934: "We are apt to give a false emphasis...to the period of youth as one of preparation for life. It is a period of preparation, but it is also life itself. Activities designed with preparation alone as an objective will fail in attaining their purpose. They must have inherent in them vivid, real, immediate--as well as lasting--values or they will prepare for nothing."

Secretary of Agriculture Henry A. Wallace, in address before annual convention of the Mortgage Bankers Association in Chicago on October 4: "I am inclined to think we must choose soon a policy of nationalism, internationalism or a course between. Once the choice has been made, we can enter into unimaginable prosperity."

Newton D. Baker, writing in the New York Times Magazine of October 7: "In the drives for funds to aid in the rebuilding of lives broken by the economic ordeal we shall have in our power to perform as great a service to the country as if we took up arms in her defense."

Arthur Morgan, former President of Antioch College and now head of the T.V.A. board: "Perhaps no greater fact has emerged in all human history than this--that man's helplessness is not necessary. Practically every case of human tragedy ultimately can be removed by an extension of the powers that he already possesses."

ANNOUNCEMENTS OF NEW BOOKS

A Short History of the New Deal by Louis M. Hacker
F. S. Crofts & Co., New York. 151 pp.. $1.75

A non-partisan review of the setting, design, and progress of the New Deal.

The New Deal in Action by Schuyler C. Wallace, Professor of Public Law, Columbia University.
Harpers, New York. $2.00

An account of the New Deal program to date.

New Frontiers by Henry A. Wallace.
Reynal & Hitchcock, New York. 314 pp. $2.00

A defense of national planning and an outline of the necessary aims.

Roosevelt versus Recovery by Ralph West Robey.
Harpers, New York. 163 pp. $2.00

An analysis of the major New Deal policies showing the difficulties of carrying them out without serious inflation and economic disorganization.

The New Unemployment Act, Primarily Explained by Ronald C. Davison.
Longmans, Green & Co., New York. Pamphlet. 36¢

A simple description of insurance benefits and the new unemployment assistance scheme in Great Britain.

Unfair Trade Practices; How to Remove Them by Lincoln Filene and William Leavitt Stoddard.
Harpers, New York. 147 pp. $1.50

A Boston merchant describes how developments under the N.R.A. codes can reduce unfair trade practices between producers and distributors.

The Housing Program of the City of Vienna by Charles O. Hardy and R. R. Kuczynski.
Brookings Institution, Washington. $2.00

Plans and achievements.

The Design of Residential Areas by Thomas Adams.
Harvard City Planning Studies, v.6. Harvard University Press, Cambridge, Mass. 310 pp., il. $3.50.

Basic considerations, principles, and methods.

The General Welfare Clause by James F. Lawson.
Pub. by author, Box 38, Falls Church, Virginia. 388 pp. $2.00

A study of the power of Congress under the Constitution of the United States.

How 100,000 Men Have Been Helped
Society of Friends, Friends House, Euston Road, London, N. W. 1, England. 24 pp., il., tables.

Allotments Commission's annual report covering one year from September 1, 1932, to August 31, 1933.

Delaware's Unemployment Relief Problem
Temporary Emergency Relief Commission, Dover, Delaware. 32 pp., tables.

Negro Housing Survey of Charleston, July, 1934, compiled by the Bureau of Negro Welfare & Statistics.
Dept. of Archives & History, Charleston, W. Virginia. 21 pp., tables, charts, maps.

Personnel and Salary Trends in Municipal Departments, Minneapolis, Minn., 1926 - 1934: a Survey by Karleen Fawcett.
Taxpayers Association, Minneapolis. 29 pp.

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Department of Research and Statistics

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"The Turn of a Screw" - Robert R. Doane
New Outlook. October. 4000 words.

In the last article discussing the findings of the National Survey of Potential Product Capacity, the author completes his thesis on "our limitations (a liability we have reluctantly left unacknowledged) in terms of restrictive forces which are purely physical in their nature, and over which no amount of institutional change can have effect." His conclusions are that, even in 1929, we had not reached anywhere near that "age of abundance about which mankind loves so well to dream." Also that "our so-called excess capacity, at the close of the golden decade following the World War, was actually less than at the beginning. And, further, that this reserve capacity represented no new development, but has been an indispensable and essential accompanying phenomenon inherent within the economy throughout our entire industrial history.

"Also our total annual production is not an isolated phenomenon only indirectly related to our common well-being, but is in fact our real total annual income. And no matter what forms of artificial stimulation, through experimental monetary measures, the final satisfaction of human wants cannot be attained unless, and until, the material goods themselves are first produced. And, what is of even greater importance, if we are to attain at as early a period as possible the desired resumption of the 1928-1929 volume of production - we must discard our present day-dreams of an extension of leisure time, with an enforced 30-hour week as the alternative to our imagined excessive ability to produce goods."

For the past century and a half the productive abilities of mankind have been increased enormously by means of power machinery, but our capacity to consume has moved parallel with our capacity to produce. A multiplicity of living comforts have been made available for the American home as the following table indicates:

(All figures are as of 1929)

	Items	Number	Per Cent saturation
	Total number of families	29,476,555	100.00
1.	Total number of dwellings	24,188,052	82.06
2.	Sewing machines	23,581,244	80.00
3.	Water system supply.....	22,102,990	74.98
4.	Electricity.....	19,967,154	67.74
5.	Flat-irons, electric.....	18,538,000	62.89
6.	Automobiles	18,497,271	62.75
7.	Bath rooms	16,931,636	57.48
8.	Gas ranges	13,318,000	45.14
9.	Telephones	12,894,000	43.74
10.	Refrigerators, old style.....	11,600,000	39.35
11.	Gas, manufactured.....	11,532,000	39.12
12.	Radios.....	10,500,000	35.62
13.	Furnaces and heating systems.....	9,675,221	32.65
14.	Vacuum cleaners.....	8,610,000	29.21
15.	Pianos, organs, musical instruments..	8,577,000	29.09
16.	Electric toasters.....	7,325,000	24.88
17.	Washing machines	6,585,000	22.34

18.	Electric fans	5,800,000	19.67
19.	Percolators	5,750,000	19.51
20.	Natural gas	5,116,000	17.36
21.	Electric heaters.....	3,185,000	10.80
22.	Refrigerators, mechanical.....	1,850,000	6.27
23.	Electric cookers	1,175,000	3.99
24.	Electric ranges	875,000	2.97
25.	Fuel-oil burners	510,000	1.73

There is still room for considerable improvement and, even where the market for this equipment has been nearly saturated, there is a continuous demand for replacements so that the economy's industrial stability is considerably increased.

However, during this period there was also an increasing consumer demand for services -- doctors, lawyers, beauty specialists, actors, launderers, garage attendants, etc. This led to a major occupational shift. In 1880, 75% of the gainfully occupied were engaged in production and 25% in service occupations; in 1930, 52% were in production and 47.2% in service occupations. The increased proportion of persons in the latter group is especially significant if viewed from the standpoint of national income because it means that a larger and larger fraction of the national income has been spent for these services. (The author estimates three fifths to three quarters for 1934). The amount spent represents a dilution of the national income since these persons also consume consumer's goods. We have, adds the author, been "attempting to maintain a volume of services in excess of our physical productive ability to adequately support" and "it is one of the outstanding tragedies of modern times that the costs of services,in their true relation to national wealth and income, is not better understood. It may well be the submerged rock against which not only the New Deal but our entire Western European civilization may be wrecked."

W. E. O., Jr.

"On The Dole: 17,000,000"
Fortune. October. 10,000 words.

The unemployment situation this winter may be more acute than at any time in the past. Many reasons for this may be advanced. Some will blame the machine,others the war, or capitalism,or the tariff, or lack of reassurance of business men by the Government, or perhaps Mr. Hoover.

There are, however, ten basic facts: (1) Approximately 10,772,000 are unemployed (A.F. of L.). (2) For statistical purposes,one worker supports2.5 persons,therefore,roughly 27,000,000 persons are no longer being cared for by private industry. This is 21% of the population.The figure would rise to 30%,an increase of about 10,000,000, if those who are inadequately supported were included. (3) The present relief load is 17,000,000. If this is subtracted from the above 27,000,000 we find that there are about 10,000,000 who have not yet sought relief, but who are nevertheless unemployed. (4) For this and similar reasons,the relief load will probably increase. (5) Although the C. C. C. has taken about 350,000 families off the relief rolls, the major job is in the hands of the F.E.R.A.(6)The 12,000,000 for whom there is not work

relief must accept the dole. (7) The 17,000,000 on both types of relief together do not like the dole.They are almost unanimous in demanding work. This may be the cause of much social disorder in the near future. (8) The Federal Surplus Relief Administration has arisen within the F.E.R.A.It now supplies the unemployed with meats, blankets, etc., from the nation's surpluses, at a cost of between six and eleven million dollars per month. (9) About three quarters of the total relief burden is now carried by the Federal Government. (10) It is questionable whether unaided private industry in the last year has been responsible for any reemployment. Most of the increase was indirectly due to P.W.A. projects. While some industries were expanding, many were quietly laying off men.

Industry is organized to create goods, not to create jobs. In pursuing this goal, it sometimes increases unemployment. The productive system has created marvels,but the distributive system has failed to provide an adequate distribution of these marvels. In this situation the Government: (1) tries to stimulate private industry, and (2) meanwhile keeps people alive as best it can. The P.W.A.falls within the first classification,the F.E.R.A.within the second, and the C.C.C. somewhere between the two.

The P.W.A. employed on an average, 615,000 men, and probably gave employment indirectly to twice this number. This means 1,845,000 heads of families were kept off relief, or 4,612,500 people if their dependents are counted.

P.W.A. work is decidedly preferred to direct relief by the unemployed. The demand for it is so great that it is probably necessary that the C.W.A. be set up again in order to avoid riots this winter on the part of people demanding jobs.

At its peak, the C.W.A. employed about 4,000,000 persons (2,000,000 taken off the relief rolls) and disbursed some $62,000,000 in pay checks.It accomplished some social good by constructing 469 new airports and improving 529 more, by improving 500,000 miles of secondary roads,and by employing 50,000 teachers to teach adults or to keep open rural schools that otherwise would have been forced to close.

The C.C.C.'s. chief virtue is that it keeps the men out in the open where they live healthful lives, and keeps 400,000 men and their dependents off the relief rolls. On the debit side, however, must be noted the excessive cost, $100 being the approximate cost of upkeep per man for a month. This is four times as costly as any other kind of relief.

The F.E.R.A. came into being at a time when many local and state agencies were going bankrupt, thus making it necessary that the Federal Government take a hand in the situation. The original intention was that the state governments should match the Federal Government dollar for dollar, but only seven states were able to do this. Sixty per cent of all relief money spent in 1933 came from the Federal Government. This year the percentage will be higher. The administration of these funds is left to the states, with interference only in case of gross mismanagement.

"F.S.R.C., organized in December, 1933, exists to acquire surplus cattle, cotton, grains and so on,give them what processing they need, and hand them over to the states for state and local distribution to relief cases. Its operations are at present costing between $6,000,000 and $11,000,000 per month." Much criticism has been leveled at it on the ground that it disrupts the market; but it is hard to see how it can cause market disruption by giv-

ing goods to people whose purchasing power is zero. However, the tendency of the Federal Government toward large scale purchasing-thus removing business from the small shopkeeper,- and its use of the labor of unemployed persons to produce food and other items cheaper than they can be bought wholesale point to nothing that will help stabilize the economy of the country.

The F.S.R.C. also lends support to about 200 cooperatives. These are communities which try to build a Chinese wall around themselves and live on a communal basis, raising their own food and other products and bartering with the outside world. Most of them are situated on the borders of small cities.

In Alabama, 6,000 agricultural workers were chosen by the Government for experimental purposes, the landlords having agreed to waive the question of rents for a year. These farmers were given the equivalent of their year's relief in one lump in the form of cattle,seeds,fertilizer,etc., and advisors were provided at a cost of approximately $10 per family per year. The result showed that these people were not lazy -- barring a few exceptions -- and bumper crops were produced. Moreover, these farmers were able to repay the Government for their original loan and, at the same time, to live better than they had for several years. On the basis of this success,it is planned that more work of this kind shall be carried on next year on a broader scale.

"Today F.E.R.A. could say,with justification,what the previous administration did say without justification, two years ago: 'No one will starve.' F.E.R.A.pins no feathers in its cap on that account."

"One alternative to the growth of this system lies in the adoption of something that this country so far has steadily resisted. That something is a broadly based system of social insurance--beginning, perhaps, with old-age pensions and maternity benefits and later proceeding to the larger question of unemployment insurance."

"Meanwhile, it is not too glib to say this: by and large, American workers would probably resent unemployment insurance for exactly the same reason that they now resent relief. The depression seems to have crystallized one notion in the mind ofAmerica, and the notion is that the right to work is a social right. The relief millions have set their jaws in demanding it. And it is pretty safe to say that by one means or another, and under whatever administration you like, the nation in the future will enforce that right.It will change the pattern of life for everyone. But the nation will do it because, in the words that Woodrow Wilson used on a less worthy occasion, 'God helping her, she can do no other.'"

J. B. S.

"America's Biggest Business: Relief"
The United States News. October 22. 2800 words.

"The biggest business in America is the administration of relief to the needy." The independence of this country's citizens has withered to the point where more people are living on funds handed out by the Federal, State and Local Government than exist on incomes from professional service, transportation jobs, and clerical occupations.

New York, Pennsylvania, Michigan, Ohio, and Illinois are the most severely stricken states and account for nearly 40% of all those on relief. The state, however, with the highest relief percentage is South Dakota, where 34% of the population are receiving aid.

Of the 17,000,000 now on the rolls, about 2,000,000 do some type of work in return for the help given them. The remainder accept the relief doled out, but have no avenue of service.

Though re-employment data show that 40% of those 13,000,000 idle in March, 1933 have gone back to work, millions have replaced them. This coming January is expected to top all previous relief roll figures, even the high mark of January, 1934, when 6,000,000 families were leaning on the Government. That figure excludes those on C.W.A. payrolls at the time.

From the start of the F.E.R.A. in May, 1933 until September, 1934 Federal, State, and local coffers had poured out $1,336,918,000 in relief funds. Again this figure does not include the C.W.A. expenditures of last Winter, which totaled $1,000,000,000, of which $900,000,000 came under the head of relief. Thus the grand total is $2,236,918,000.

The Federal Government's share in the relief burden to date has approximated two-thirds, or 64.5% with States contributing 16.7% and local authorities sharing to the extent of 18.8%.

An F.E.R.A. official declares the following conditions will cause relief expenditures to increase rather than decrease: (1) increased cost of living; (2) added number of items furnished to relief families; (3) increased dollar cost of work relief; (4) included item of livestock feed in drought area budget; (5) initial cost of rural rehabilitation, which projects will not start paying "dividends" for some months to come.

M. H.

"Collecting the Relief Billions" - Corrington Gill, F.E.R.A. Director of Research and Statistics.
Mid-Monthly Survey. October. 1700 words.

"No problem has been more perplexing, since the advent of the great depression, than that of financing relief." A few years ago, 30% to 40% of the total expenses were provided for by private contributions. Now, the proportion from that source is estimated at less than 5%. The Relief Act of 1933 crystallized the scheme to divide responsibility for relief and funds among the Federal, state, and local governments throughout the nation. From early in 1933 to June, 1934, two-thirds, or 62.8%, of the relief total was supplied by the Federal Government.

Contributions from the local governments have, of course, been falling off somewhat each year due to two very important factors. Primarily, the first phase of emergency relief, before federal money had been made available, these local bodies almost exhausted themselves financially in meeting the enormous demands thrust upon them. Secondly, the bulk of local government revenue is obtained from property taxes which have been greatly reduced through necessarily lower assessed valuations. The individual state bodies contributed least of all in the beginning, but through much special legislation, which brought results, their support has steadily increased, and will mean much during the next year.

Unemployment relief is the beneficiary of not more than 3% or 4% of the estimated $100,000,000 of public revenue being collected annually by the states; of not more than $15,000,000 of a total of $850,000,000 derived by motor traffic revenue; and not more than $20,000,000 of the $200,000,000 receipts from the sales taxes.

Mr. Gill states that, contrary to the gross exaggerations of innumerable sources of information,"F.E.R.A.has never endorsed one method of raising relief funds as against another. What I am particularly anxious to avoid," he continues, "is the impression that the F.E.R.A. is bringing pressure to bear upon states to adopt certain specific revenue measures, for example, the sales tax. The pressure for relief funds, insofar as I am aware, is not different than any other demand for revenue. We tell a state the amount we expect it to contribute and that state can choose any method it desires. If it adopts a sales tax, or diverts gasoline money, or sells bonds, it is because it wishes to raise its revenue in that way."

Bond-issue authorizations and appropriations from general revenues have been highly important as sources of relief funds, despite the fact that borrowing for unemployment relief purposes is kept down by severe constitutional restrictions. In only 10 states is the power to borrow beyond temporary and national defense requirements vested in the state legislatures. In the other states, borrowing is a long-suffering process.

"The F.E.R.A.has consistently followed the policy of exerting all the legitimate pressure which it could properly bring to bear without causing undue suffering to the unemployed themselves who are not responsible for the attitude of those determining the fiscal policies of states or localities."

A. Q. P.

"Paying the New Deal Bill" - Raymond Clapper
Review of Reviews. October. 1800 words.

"Last January, President Roosevelt expressed the hope that recovery would advance sufficiently so that increased revenues and curtailed emergency expenses would, during the 1935-6 fiscal year, permit the Government to return once more to the good old-fashioned rule of living within its income. That is, balance the budget."

Recovery has not been so rapid as had been hoped, and from any point of outlook the relief burdens for the coming winter will break all records.

For the year ending June 30th last, the first fiscal year of the recovery effort, Government expenditures amounted to $7,105,000,000 or $7 per every $3 received into the Treasury. National income - the income of all private citizens - was approximately $40,000,000,000 last year. In 1929 it was more than double this figure. In 1926, the year set as a standard-of-attainment goal for price-raising by the Roosevelt administration, the public debt was $19,643,000,000, and was regarded as no great burden at all.

Mr. Harry Hopkins, Federal Emergency Relief Administrator, made the following reply to a question as to whether the revenue from taxes would pay for the excessive relief debits: "Certain-

ly, and a whole lot more will be taken care of. I don't think taxes are stiff in this country. The taxes on real estate are high but income taxes are comparatively light. We do not know what heavy taxation really is." In the same strain, there is another possibility, in the form of the so-called Thomas inflation amendment which has been added to the Agricultural Adjustment Act. Inflationists in Congress, early last spring, demanded action: Senator Thomas of Oklahoma seemed to satisfy everything, which included the President's very forceful objections to outright inflation. The amendment authorized the President to issue up to $3,000,000,000 in United States notes which should be used for redeeming government bonds and other evidences of federal debt. The notes would look like any other United States notes, and upon presentation of government bonds one would receive redemption in full value. But there is a clause in the amendment which provides that the notes are to be retired over a period of twenty-five years.

"Inflation is a form of indirect tax -- a kind of capital levy. It lowers the value of currency to run prices up. In the case of holdings, the investor suffers by observing his shrinking interest -- it dislocates many things."

The President has thus far shown no disposition toward using the inflation amendment as a rescue method. The Administration has been attempting, by less jarring dislocations, to increase the price level and so to obtain the same results as the inflationists propose. This was first tried by manipulating the price of gold. Higher price level is the universal cry for an alternative to repudiation of debts contracted under former high prices. Currency is being indirectly diluted. The extent to which this will be carried depends upon the proportion of business recovery in the very near future. It is hoped that the success of this type of recovery will obviate the necessity for further inflation.

A. Q. P.

"Public Finance In the World Crisis" - Paul Studenski
The Nation. October 17. 2100 words.

Not until after the World War did the State attempt any increased intervention in the economic sphere and endeavor to direct some phases of it. So long as it remained the guardian of life and property, of war and peace, the prosperity of its citizens was cared for almost wholly by private agencies, while the cultural needs of the masses were neglected. In finance, there was little borrowing except in war time. In more recent times, and most especially since this country has been launched upon an economic depression,government has seen the need of expanding into every field of human endeavor. Public funds are being raised today for the conservation of national resources, for the development of transportation,and even to subsidize certain industries. Progress is now being made in free and universal education, for the improvement of public health,and for the promotion of recreation.

Hence, the increased proportion of the national income used by the government indicates the expansion of governmental activity in modern society. The expenditures of the government,even at

their peak, have never taken more than 15% of the private income of the people.

To finance the enlarged outlay of government,new taxes have been needed. However,most of the revenue has been obtained by increasing the old taxes instead of creating new ones. Prior to the war most of the taxes were received from property,tobacco,liquor, and certain business transactions. The tax system as a whole, here as in nearly every country, takes a larger proportion of the small income than it does of the large income.

Under the strain of the World War, public finance was completely deranged, and it bestowed upon posterity an unstable currency, huge war debts, a reckless pension system, and various post-war remedial measures. As a result,basic conditions left unaltered led the world into a false sense of security. That this country was no exception, and that the delusion of eternal prosperity vanished, is well known to everyone.

The responsibility that confronts the state today is as great as those it faced during the war. If unemployment persists and industry fails to revive, the only hope of millions in distress lies in state assistance, and business will become increasingly dependent upon governmental aid. The collapse of business and the decline in private incomes deprived the state of a portion of its revenues.

Public work in most countries (with the exception of tthe United States)has been curtailed;salaries of public employees reduced; essential services all along the line have been discontinued and expenditures for education and social welfare have been cut to the vanishing point. Yet the disbursements for defense and military purposes have not been curtailed.

Within the past 18 months the Federal Government of the United States has abandoned its attitude of laissez-faire in favor of the active social control policy of the New Deal. The execution of this policy requires proper taxing, borrowing and currency powers, and a mobilization for public purposes of all funds not used productively in private business. It also requires above all, economic and social planning.

The Government has extended vast control over industry and public finance, and can render a great service to society by using its compulsory powers to carry on for the public good. It will perform greater usefulness when the harmony of public finance and changing social circumstances can be effected.

W. F.

"Getting Together for Recovery" - Ralph W. Page
Philadelphia Evening Bulletin. October 23. 1100 words.

Recovery depends upon: "First, a tremendous expansion of spending from some quarter. This spending can only be the result of either Government or private borrowing or unheard of and excessive tax collections, amounting to a capital levy. Second, this spending must be devoted to the capital industries. Consumers'goods are already moving in something like normal proportions. Third, and most vital, in order to succeed, any plan and effort must have the cooperation of both Government and 'business.' A bad plan enthusiastically supported by the financial and industrial leaders and their great following -their general staffs and

clients, their attorneys,their banks, their nation-wide publicity agents, newspapers, organs,and network of institutes and associations - would be more effective than a good plan with their opposition."

The present deadlock can only be broken by modifications and compromises on both sides - business and government. Government policies up to this point have had the support of the people but the non-support and actual resistance of big business.

The re-organized N.R.A. is ceasing its attacks on liberty and letting up on regimentation. It will withdraw from the front lines and allow business to settle its own fights and differences. Secretary Roper has praised "private initiative"; Donald Richberg has been "making speeches about the sacred value of free competition"; and the President himself has called off"the insurgent strikers in favor of a good old Hoover brand of fact finding commission."

Until private business takes up the slack, however,the Government must continue its mammoth spending. Business has objected not to this outpouring of funds but to"the purposes and method of the spending."

Money given to the unemployed is "lost" and ruinous both to the treasury and the idle. However, money lent to industry or used by the Government to create assets is not lost, but can be classed as invested - and such investments "cannot be charged to an unbalanced budget."

Under this type of spending come the buying of lands, which improves the realty market;the building of dwellings subsequently leased to tenants or sold to municipalities; the constructing of roads and the rehabilitating of forests; and the controlling of water and soil erosion.

These can be called assets, long-term investments; and "no financier would contend that Rome was ruined or its treasury destroyed by its world wide system of roads, or its famous acqueducts."

Under this policy "everybody wins. The Government spends the money, the unemployed get the money, and the spending is 'sound,' while the budget gets the houses, or the notes."

The old financial-industrial group might agree to the elimination of grade crossings, flood control, post offices and schoolhouses being included on the public works program and consider them as "assets against a mounting Government debt" if the program would not go so far as to include"threatening the utility structure with a decreasing power rate or government operation."

M. H.

"Social Salvage" - Harry Roberts
The Hibbert Journal. October. 3500 words.

In England, a number of forest camps have been established for unemployed young men, privately sponsored and without government aid other than the "dole." These camps, called Grith Fyrd Camps, or Peace Army Camps, give the unemployed men from the industrial centers an opportunity to do something constructive. They build their own living quarters, with no technical assistance, thus learning by doing. They learn to work with others. All income, including the doles, are placed in a common fund, and a

commercial spirit is developed. Skilled workers are not desired in the camps. It is felt that too much reliance would be placed on skilled workers and the men would fail to develop themselves as readily. The men appear healthful and happy, and have a deep interest in their tasks. This attitude, the author maintains, is something that modern mechanical toil does not foster. So much of modern toil is deadening that the worker cannot find happiness in his work.

T. A. V.

"Key West - Bottled in Bonds" - Nels Anderson
Mid-Monthly Survey. October. 2600 words.

"The strongly fortified coral island, the city of Key West, Florida, surrendered and today stands in the breadline of the Federal Emergency Relief Administration. On July 2, the Mayor and Council wrote to the Governor of the State that the city government had reached the end of its rope. It was up to its knees in garbage and unremoved rubbish; over its head in debt, and two years behind in its payroll. So three days later the Relief Administrator of Florida accepted the bankrupt municipality as a relief client. Already, 80% of the population were on the relief rolls."

The author gives in detail the many factors contributing to this bankruptcy, the heavy bonded indebtedness and serious state of affairs that had been reached including danger to health and fire protection.

The Relief Administration took over the city and requested the citizens to organize themselves into a work army for six months service beginning August 1. "All relief clients able to work were expected to put in labor to meet their budgetary requirements and in addition to give the community twentyfour hours work per week. Citizens not on relief were asked to volunteer twenty four hours weekly. A citizen would get his volunteer credit hour for hour by taking a worker into his employment."

During the voluntary enlistment, the Key West Authority conducted a complete census and house inventory which revealed 6,953 able-bodied men and women between 18 and 64 years of age. Of these 4,300 persons enlisted, and volunteered an average of 20 hours per week, or a total of approximately 10,000,000 hours of labor of every type. This was apart from relief labor. Before August 1, the work of cleaning up the island was under way, 10 trucks being used to cart away the garbage, rubbish, and wreckage to the dumps. Some tumble down buildings were razed and the Relief Administration salvaged the materials for use in habitable buildings. The Authority estimates that 80% of the voluntary pledged hours are being delivered. If a man works on his own property he is given labor credit, and if he needs help he is charged. He pays back in work, perhaps on a neighbor's property. Even charges for materials will be paid in labor.

The Key West Authority has tackled a big job and up to the present the spirit of cooperation has been manifested. However, divergent viewpoints have already arisen. "The upper class, a minority, mourn the good old days, and want them back believing that if money is spent at the top enough will trickle down so that every one will have a little of it. A second group, who are

in control of the present venture want to raise the standard of living of all people with good houses for everyone and a lot more houses to rent to tourists."

As to the bonded indebtedness, the author notes the Key West bonds have dropped to a very low value and he surmises that this debt cannot be paid. In his opinion, "perhaps the debt can be compromised, . . . perhaps the R.F.C. will strike a deal with the bondholders. Until some adjustment can be made, the work of rehabilitation must be outside the framework of the tax system and the municipal government must remain as now a shell under which the emergency government of the relief authority operates."

H. G. M.

"Relief for Strikers' Families" - James Myers
Mid-monthly Survey. October. 1950 words.

There are no accurate statistics available as to the number of strikers who have been given relief. Separate accounts are not kept because the F.E.R.A. does not deal with strikers as such.

Opinions differ as to the helpfulness of the F.E.R.A. plan. Some think that this plan has not been an important factor in the strike situation, but others believe that the F.E.R.A. has encouraged strikers by providing them with food and fuel.

The overseers of the poor in Waterville, Maine, withheld unemployment assistance from strikers there, stating: "Let the unions support them. They'll either work or not eat. Any one who strikes in these times deserves to starve."

The real factors in the problem of relief for strikers' families were clarified for the author in textile towns through which he recently passed. A very impressive contrast was seen in the large substantial mills, the estates of mill owners, and the small shabby homes of the strikers. The employer, without doubt, loses profits during a strike, but he does not have to go hungry or hear his children cry for food.

A statement issued during the textile strike by Rabbi Sidney E. Goldstein, chairman of the Social Justice Commission of the Central Conference of American Rabbis, is as follows: "It is our earnest opinion that hunger should not be allowed to become the arbiter in industrial conflict. Relief should be given where manifestly needed. No issue can be said to be settled according to justice in which hunger has been the main compulsion in defeating labor, when the other party of the controversy has at least something to eat."

M. E. S.

"Report of the Psychiatric Consulting Service of the Women's Division of the Emergency Work Bureau of New York City" - Dr. Phyllis Greenacre, Elisabeth G. Brockett, and Mary C. Sumner. Pamphlet. 35 pp.

This report is based upon a one-year experiment (beginning January, 1933) "in providing psychiatric consulatation service in a placement agency dealing with white-collar unattached women."

The purpose of the project was "to plan wisely for the future management of one problem in unemployment: that of maintain-

ing on a reasonably functioning level the mental health and morale of a special group of unemployed women. The attainment of this goal was attempted through the individual psychiatric examination of a fragmentary percentage of such women, but in much greater degree, by a sustained process of sensitizing the personnel of the placement agency to the mental hygiene significance of symptoms in their clients."

The sponsors of the plan felt it unreasonable to "maintain longer the fiction that the destructive effects of the 'temporary emergency' can be met adequately merely by providing food, clothing and shelter to its victims . . . As the duration of unemployment continues, unwholesome individual reactions to its frustrations and hardships are becoming transformed community by community into mass reactions. For some time it has been believed that a more intelligent handling of individual emotional reactions to the need of applying for and depending on public relief might do much to prevent such individual reactions from accumulating mass proportions and, consequently, from affecting adversely the morale of whole communities."

A psychiatric study of clients was further necessitated by their emotional disturbances which interfered both with preliminary interviews and with their adjustments to the positions in which they were placed.

The group studied consisted mainly of New York residents, with work records in New York, who had reached the end of their financial resources. "As a group, they certainly had no desire to apply for financial relief now even though they were below the margin of self-support. It was largely a group of women independent and used to enjoying some business and professional prestige. Some had considerable attainment in the arts and in the field of science. They had accepted work as an integral part of their lives and expected to continue it and had in the past associated idleness with incapacity or lack of individual initiative." The Bureau noted that "the applicants are on the whole of good intellectual and social standards, more sensitive to and more affected by the way relief is given than the average client of the existing social agencies."

In studying this group, the Psychiatric Consulting Service was faced by two important questions: (1) "Has mental disturbance been caused by economic distress or has it occurred quite independently and only been uncovered by it?" (2) "Are difficulties of emotional and psychological adjustment largely responsible for the unemployment of individuals, in the absence of any age or health question, or are the larger economic determinants of mass unemployment to be considered as most important in the selection of the individual sufferers?" -- Their answer to the first question is that "the roots of the frank mental disturbances have well antedated the depression which, like the war, was but a precipitating factor in the etiology of the present illnesses." However, with respect to the second question, many factors beyond individual control contributed to unemployment. Among these were "the discontinuance of work which in times of depression is likely to be considered as a luxury," such as personnel work, industrial research, the work of efficiency experts, and many educational, artistic, and scientific activities. "Other factors which seem to have caused individuals to lose work early in the wave of unemployment and to make them susceptible to emotional instability under unemployment conditions include . . . inadequate training" and

lack of adaptability.

It was concluded that "understanding of the role that work has played in the life of the individual, and sensitivity to underlying needs should aid not only in the handling of disturbed attitudes aroused by the loss of work but also in organizing the created projects themselves. Some of the cases described indicate that an analysis of the emotional significance of work can be used as a guide in planning such work-relief as will offer some chance for continuity of satisfying experiences and avoidance of recreating former conflicts." When work"projects are well planned and properly administered, there is little doubt that work-relief plays a part in the prevention of serious loss of health and morale due to the deprivations caused by unemployment."

G. R. W.

"Rural Rehabilitation" - Joanna C. Colcord and Russell H. Kurtz
Mid-Monthly Survey. October. 1700 words.

The Rural Rehabilitation Division of the F. E. R. A. is now ready for its 1935 offensive, after eight months of experimentation. After a series of conferences in September, details of a revised and elaborated program were presented to state administrations.

The object of the R.R.D. is "to make it possible for destitute farm families now qualified for relief to become self-supporting, to be uniform with the American standards." This program proposes to reach beyond that group and render service to other rural families who are not farmers. These are the relief families living in non-industrial towns of less than 5,000 persons and the "stranded populations." It was estimated in June that there were about 1 200 000 rural families on relief. This figure will be somewhat increased since the drought.

The most thoroughly developed part of the program applies to the farm families. The R.R.D. has found that there are three classifications: self-supporting farmers in distress; farm tenants and crop sharers; and displaced farmers who have not completely lost touch with the land. It is proposed for these families: (1) to make seed stocks, farm animals, equipment, buildings or land available as may be required for subsistence purposes; (2) to provide the services of trained specialists in agriculture and home economics to aid in formulating plans for subsistence farming; (3) to provide supplementary employment in private industry or public work-relief projects; (4) in selected cases, to offer service in debt conciliation, procurement of credit, and relocation on better land.

Until rehabilitation progresses to a point where self-support becomes a reality, subsistence relief must be continued. In most cases such relief, together with the capital goods and supplies provided for rehabilitation purposes, will be charged against the family - to be repaid later in cash.

Village families on relief will be aided on the same terms, but it is doubtful that urban families will be transferred to farms. Since America has too many farmers, these people will be urged to stay where they are. It is said by the village families that the R. R. D. "can and should grow subsistence gardens," and

they may participate in work-center activities or labor and commodity exchanges. Rehabilitation by means of employment in reviving dormant industries, or in new industries, or on public works projects should be the objective for this group.

Due to the fact that complete rehabilitation cannot be accomplished over night and that the methods employed must vary from state to state, the state E.R.A.'s are to be given some latitude in the way they use the various methods in their programs. The R.R.D. makes the following suggestions:Relief will be refused to any family failing to plant and properly care for an adequate garden when facilities are available. Where it has been found advisable to transfer stranded populations or selected urban families to the land, it is urged that such transfers be affected by establishing "organized rural communities. These communities will consist of several hundred families each. Each family will live on a small tract of land capable of producing their food. About 35 to 40 per cent of a family income is expected to result from subsistence farm operations; the remainder must be provided by supplementary employment."

A work center is to be developed where facilities will be available for the profitable use of spare time for relief families. Provision of resources for community social life and recreation are also urged.

E.R.A.'s are asked to develop exchanges in each community in order that rural families and community farmsteaders may have an avenue for disposal of their surplus commodities and labor.

The R.R.D. concedes that in addition to the food and shelter there must be a cash income. Local industries must be encouraged by the purchase of their products for relief, that they, in turn, may create employment in their communities.

As another source of cash income, work relief on public works is to continue. Health and sanitation, water conservation and supply, construction of recreational facilities, and forest conservation are named as valuable projects.

Many rural families are on the relief as a result of unfortunate debts. Due to the fact that rehabilitation cannot succeed until debts are cleared up, the R.R.D. stresses the need for adjustments either by conciliation or by bankruptcy. Farm owners and the A. A. A. have come to agreements to provide avenues for forgiveness of tenant debt in certain circumstances.

The R. R. D. advises thorough study of each family to be transferred in respect to the following qualifications: adaptability of family, need for moving, cost, income possibilities in proposed new environment, and outlook for permanent rehabilitation.The most important problem will be the supplementary income.

After the approval of the R.R.D. staff, families nominated for rural rehabilitation will be entitled to services of the R.R.D. office, including aid in debt adjustments, and guidance in home economics, agriculture, new credit, and vocational instructions.

Many farmstead and village families, in the progress of rehabilitation, will produce a surplus of food and other marketable products beyond their subsistence needs. An effort should be made to dispose of these surpluses through trading at the community exchange or to the R.R.D.itself in repayment of the stake secured there.

Funds for the purchase of sub-marginal land in eight major

sections of the United States are about to be spent to withdraw poor lands from attempted agriculture. Through work relief they will be transformed into national parks, forests, Indian reservations, and bird sanctuaries.

September 1, eight thousand rural families were on the rehabilitation rolls according to the R.R.D. director, Lawrence Westbrook. Most of these have been placed on farms which have been leased until the end of next year, with the privilege of purchase on long-time terms. The movement has reached largest proportions in the south, principally Texas, Mississippi, Alabama, and Arkansas. In these states the investment per family ranges from $86 to $126, including land leases, supplies, equipment, and livestock. The total expenditures for R.R.D. from March to September, 1934, approximated $10,000,000.

V. H. G.

"The Alternative to Revolution" - Glenn Frank, President of the University of Wisconsin.
Pennsylvania School Journal. September. 7000 words.

"We are face to face with a few fundamental decisions which as a people, we must make and make soon if we are to avoid social and economic chaos."

The author reduces the topic to four questions: "(1) Are we going to strengthen democracy or surrender to dictatorship? (2) Are we to pursue our enterprise in freedom or under regimentation? (3) Are we to establish control of this age of plenty or execute a return to an age of scarcity? (4) Are we to walk the ways of a realistic internationalism or go in for the economic monasticism of the nationalists?"

Answering the first question, Mr. Frank expresses the belief that the epidemic of dictatorships is not just a result of the war, but due to a "growing conviction in the minds of many that democracy was not up to the job of administering an age of science, technology, and power production . . . Such a world, so the contention ran, demands a stronger leadership than the elections of democracy will commonly call to power or the legislatures of democracy normally tolerate.

"The destiny of democracy on this continent will depend entirely upon our success or failure in solving the economic problem." If we do solve it, "essential democracy is not likely to be seriously challenged during the generation." But, "if, when the roaring mountain stream of Federal spending and Federal subsidy begins to dry up at its source, the basic enterprise of the nation remains sluggish or stalled, the American millions will lend a ready ear to drastic alternatives." Slow recovery will cause impatience with "traditional forms and functions of government"; partial recovery, based on the old order, will afford only temporary satisfaction, and "democracy's judgment day will be but postponed." For "democracy is not invested with any inevitable immortality. . . Democracy has died before in history. And people that had known it and prized it seemed not sorry to see it go." Mr. Frank further states: "I shall not conceal my conviction that despite its manifest weaknesses, democracy is, in the long run, both safer than and superior to dictatorship, despite the swift efficiencies some dictators may seem to bring to a phase of emergency." Democracy "broadens the base of judgment"; dictatorship

"narrows the base of judgment upon which policy is built."

"It is one of the major delusions of this disintegrate time that the need of the hour is strong government. It is not strong government we need so much as wise government, government invested with the virtues of insight, dignity, moderation, justice, tolerance, and an acute sense of social values." Dictatorship represents the former, democracy the latter. The first is founded on "fear and faith," the second upon "leadership and popular understanding."

Favoring, however, a revision of democracy, he advocates: (1) a fixed procedure for "crisis government" to deal with such emergencies as the present depression, for which there is no provision in the normal channels of democracy; (2) a re-distribution of legislative and executive powers.

"The day of a virtually anarchic individualism is dead," says the writer in discussing the second problem he set forth, -- freedom versus regimentation. "The statesman is grasping at the reins of power long held by the business man, banker, and financier. In each instance, so far, it has been a case of political leadership's stepping in to save a situation that economic leadership had failed to master in any socially satisfactory way . . It does not follow, however, that the only choice open to us is between anarchic individualism and an all-embracing state.

"The rank and file of Americans believe in rugged individualism as profoundly as did the pioneers, but they have had their fill of ruthless individualism. They will drive from power and destroy any political leadership that seeks to impose unnecessary and unworkable limitations upon the exercise of rugged individualism, but they will submit to drastic limitations upon their freedom of enterprise before they will hand themselves back into the power of a ruthless individualism of business, industry, and finance. Some measure of social control of private enterprise has become imperative."

The suggested middle course requires that the Government "keep clear the distinction between the broad guidance of economic policy and the detailed regimentation of business administration."

As for the economics of plenty versus scarcity, the author says: "We have been working in terms of an age of plenty, but thinking in terms of an age of scarcity. Our enterprise has been new. Our economics has been old." Do we wish to "bend to human use the full powers of this economy of science, technology, and power production or. . .take a coward's refuge in a policy of repressing, restricting, and reducing its (the country's) productive capacities?. . .Scientific and technical leadership has abolished the physical necessity of poverty on this continent. It remains for political and economic leadership to abolish the social fact of poverty and its milder manifestation, under-consumption. . .We must be careful lest a program of stabilization turn out to have been a process of sterilization. To play down our productive powers may well result in a stabilization of want rather than a stabilization of welfare."

The fourth question, that of internationalism versus nationalism, presents a paradox. "While the processes of the world's life grow daily more international, the policies of the world's governments grow daily more national." Mr. Frank declares that "ultimately some sort of world policy must dominate world trade

relations." A return to nationalism would "enforce a drastic and delimiting readjustment in the organization, capitalization, and operation of American business and industry, spell the doom of commercial agriculture on this continent, and drive the American farmer to the status of the peasant . . . liquidate the age of plenty and lead ultimately back to an age of scarcity."

M. H.

"A New Deal That's 40 Years Old." - Kenneth Stillman
Factory Management and Maintenance. October. 2000 words.

"Long before the terms 'industrial democracy,' 'employee representation,' 'welfare work,' and similar expressions of modern trends in employee relations were in use, the management of Pilgrim Laundry, Inc., Brooklyn, N.Y., had become convinced that 'Non Solum Nobis' - not for ourselves alone - was the surest way to success in any undertaking." Today, after 40 years of constant pursuit of this ideal, this company has become an outstanding example of an organization which has achieved success upon a basis of confidence, mutual respect, and helpfulness between factory management and its workers.

The author outlines this old "New Deal" as a working day of 8 hours without overtime with four 5 minute rest periods and wages that are higher than are paid by other organizations. The minimum wage paid to women operators is $15.00 per week, while the state minimum wage law calls for $12.40 per week. The average wage is 35% higher than the average laundry wage reported to the state Department of Labor. In 1931, the management announced that no one would be laid off for lack of work, and this promise is still being kept. Employees have been permitted to buy stock on which 8% dividends have regularly been paid. In recent years, these employees have held a majority of the outstanding stock.

"All employees with one year of service receive a week's vacation with pay each year; employees with two years or more service receive two weeks; heads of departments receive three weeks and supervisors four weeks. An employee who gets married receives another week's vacation with pay for a honeymoon."

The company has sought to prevent loss of wages to employees if their absences were due to causes over which they had no control. It pays full wages for three days absence in case of a funeral in the immediate family, for jury duty, for military duty, and in case of sickness extending beyond the benefit period of the Mutual Aid Society. This Society is maintained by employees contributing 1% of wages and the company an equal amount. This provides sick benefits of eight full weeks' pay for illness during any year; full salary for one week after an accident, an seven weeks pay at one third the regular rate for accidents not covered by workmen's compensation; and $100 to the nearest relative in case of death.

The company provides for the employees, a restaurant where food is sold at cost, an extensive library, dressing rooms, lockers, shower baths, first aid and hospital service, organized recreation, service awards, and a bonus for perfect attendance. These things were not forced upon the company by public sentiment, legislative enactments, or any form of intimidation or threats. Working conditions have been voluntarily improved as

rapidly as the earnings of the company and the cooperation of the employees justified.

Mr. James E. Dann, President, states: "as far back as 1906 these things were being done with a desire to raise the efficiency of the employees through better working conditions and education. This added efficiency would increase dividends and make possible increased wages, shorter working hours, and improved conditions because the most substantial foundation upon which one can build is a strong, efficient and conscientious organization."

H. C. M.

"Everybody's Looking for Utopia" - Webb Waldron
Today. October 20. 3500 words.

Mr. Waldron describes the Utopian Society which has had a rapid growth on the west coast during the last year. The society aims to establish a new economic system in which the people own all the means of production in common, and share alike in the products of their industry. This new system is to be achieved under the constitution and by democratic means. It has its origins in technocratic principles.

Chief appeal of the Society has been through the presentation of a drama in which the scenes shift from pictures of want to those of plenty in which Reason rules. This drama, together with a secret ritual into which those who are willing to pay the initiation fee are inducted, has drawn probably 200,000 into the society in the last year. The movement has spread throughout the West and is appearing in some Eastern cities.

T. A. V.

"In Sickness and In Health" - Kyle Crichton
Colliers. October 20. 2500 words.

Several types of health insurance have been started and successfully operated in various parts of the country during the past few years. Groups of people, doctors themselves, or medical societies and hospitals have instigated the insurance which functions on a subscription basis.

Millions of citizens lacking medical care and thousands of doctors, dentists, and nurses lacking adequate incomes because of no patients -- or too few paying patients, caused the situation which has created a need for this service. In 1932, 52% of our citizens received no medical attention, 79% lacked dental care, 89% had no health examination or similar service, and 62% received no medical, dental, or eye care of any sort. And conditions are admittedly much worse today.

On the other hand, doctors are not the well paid persons they are supposed to be. Even in 1927, one third of them had incomes of less than $2,500. "A man may have a car, he can go to shows and take vacations, but he can't pay his doctor bills, say the physicians."

In these pre-payment medical plans, groups of persons pay so much a year for the services of a doctor, clinic, or hospital, regardless of whether they make use of such services or not.

An example of the method followed in general is the Ross-Loos clinic in Los Angeles. It was started six years ago at the request of various associations of city and county employees, who desired to share in the same type of medical attention available in large industrial units. A subscriber pays $2 a month, which entitles him to drugs, dressings, three months' hospitalization in a Class A hospital, ambulance service, office and residence calls, laboratory work, and X-rays. His dependents receive the same services, except that cost prices are charged for hospitalization, drugs, etc. This clinic, managed by Dr. Ross and Dr. Loos, handles no individual cases, accepts groups only on their own application, and does no soliciting of subscribers.

Another similar project is the community hospital in Elk City, Oklahoma. It was conceived by Dr. Michael Shadid who runs it, and it is owned by 1,800 families, each of whom bought a $50 share of stock. For $1 a month, a family gets complete medical and surgical care, but medicines, serums, and X-rays are extra, while hospitalization is $4 a day. For payment of $2 a month, hospitalization is reduced to $1 a day. In three years, the list of subscribers has grown to embrace persons spread over an area of more than 5,000 square miles, some of whom live more than a hundred miles away. When the hospital has acquired a sufficient number of new subscribers, it is planned to substitute one medical charge plan, probably at $24 a year, in place of the two, at $12 and $24, now in force. Then charges for hospitalization, medicines, serums, and X-rays will be eliminated, and the medical staff will be salaried instead of being paid a percentage of the receipts.

The American Medical Association frowns on these experiments as socialistic or communistic, while one of its member associations, the American College of Surgeons, approves of them.

Health insurance, a rather new thing in this country, was first started in Germany by Bismarck in 1883 and has prospered to the point where it now embraces 40,000,000 persons out of a population of 63,000,000 and requires the services of 35,000 of the 50,000 physicians in the country. Today every country in Europe, except Italy, has a similar system.

M. H.

"A New Pattern for Industrial America" - Henry I. Harriman
New York Times Magazine. September 23. 3000 words.

Security, in one form or another, is the goal of most of our efforts. Since wise thrift is one of the best assurances of economic security, the large deposits in our savings banks and the vast volume of insurance in force are good evidences that Americans are thrifty. But, despite our thrift, the bitter experiences of this depression have shown that, from a national standpoint, we "have not got economic security."

Thus far we have devoted our energies primarily to the task of production, and, incidentally, to the establishing of higher living conditions than any other country in the world. Out of this has come the extraordinary organization of industry and correlation of manufacturing processes called mass production, the great plants clustered in cities, the division of labor to an incredibly minute point, and the devising and concentration of masses of machinery.

Industrial concentration has replaced the primary agricultural and self-sustaining existence of our ancestors. It has made possible the production of goods far beyond their dreams. It has equipped us with mechanical and time-saving appliances and added thousands of comforts to our mode of living. But it did not account for what might happen when the wheels of production and distribution slowed down or came to a halt.

The wage-earner, trained to his minute and specific task, has no defense against adversity except his pay check. There are no other sustaining tasks to which he might turn. He has laid aside the tools which his forefathers used. He could not divert his energies to the gathering of wood, the slaughter of animals, the raising of foodstuffs, or the weaving of clothes when the demand for the article, which he as a craftsman helped to produce, slackened. He had become master of one minute task, one operation among the hundreds necessary to the evolution of a single product but in the same degree he had become less a jack-of-all-trades. When his one task failed him he was at the end of his resources.

It has been more and more evident of late that he would have been much better off now if he had not placed all of his eggs in one basket. In former depressions, when there was little industrial work, men could raise their own food and gather their own fuel in periods of slackness. Under present conditions there are no such resources for the average man to fall back on.

Obviously,a judicial balance of the two methods of sustaining ourselves is the ideal at which we must aim. No less obviously, the scrapping of our industrial system and the return to the simpler and less prolific agricultural system would be folly. The striking of this balance is what we mean when we talk about "industrial decentralization" or "subsistence homesteads." To speak of industrial decentralization is to place too much emphasis upon the movement of industry from the crowded centres, and too little on the movement of the workers. The desirable end is not to pull industry apart but to widen the range of the worker's life so that he can have the advantages afforded by an industrialized existence without cutting himself off altogether from the advantages of the agricultural life.

The idea is not to transplant industry but to bring the worker within the reach of the countryside where he can more easily maintain a home in a wholesome environment and have his garden supply him with foodstuffs. The first step would be to extend the periphery of the city so that dwelling places or subsistence homesteads could be made available to workers who are now compelled to find accommodations in over-crowded areas. However, to use the establishment of subsistence homesteads as an argument for inducing industries to move to new locations is unfair and is an attempt to make the "tail wag the dog." Decentralization of industrial workers and the development of subsistence homesteads within reasonable distance of their places of employment must come as a gradual process, and be one of evolution rather than revolution.

A. T., Jr.

"The A. F. of L. Faces a Fact" - Travers Clement
The Nation. October 24. 2000 words.

"From the point of view of progressives,liberals, and radi-

cals of every shade both in and out of the labor movement, the annual conventions of the A. F. of L. since 1915 have probably presented the most discouraging spectacle in our yearly calendar of events. Here, it would seem, is the last place where any awareness of the significance of world-wide changes, of labor's position and function in those changes, in short, of 'what it is all about,' reflects itself."

The machinery was as usual well oiled. In only one case was the recommendation of the committee nearly upset by the action of the delegates. This was upon the question of the recognition of negro unions. The delegates voted in favor of such action, and it was only by ignoring the vote and throwing the question open once more to constitutional objections that the action was denied.

The fight between industrial and craft unions was indirectly brought up by the year-old question of the brewery workers union giving the brewery wagon drivers to the Teamsters Union. The question was referred back to the executive committee. It seems that there is small hope for industrial unions if as soon as they gather any strength they are to be raided by the craft unions in this manner.

The biggest step taken was the enlargement of the Executive Committee to fifteen members. The old guard was elected without a hitch and the additions made with equal ease. The Committee is still rreactionary. Only two of the new members, Lewis of the miners, and Dubinsky of the ladies' garment workers, have been active advocates of the newly projected industrial set-up.

Thus the newly organized or fast developing federal or industrial unions, radical or otherwise, are none too sure of their future. The next convention, however, may see a determined effort to clean up and get rid of some "dead wood" in the council.

Very little progressive, militant, or left-wing strength was shown but there are hopes that some may develop. "The resolution which would have come nearest to doing so was the 'labor party' proposal introduced by the delegates militant, or left-wing strength in the convention." This brought forth an all-time high in "dirty dealing" and an amazing flight of anti-red oratory. A similar resolution came from the Radio Factory Workers and the committee sandwiched these with a wholly irrelevant one, protesting discrimination against members because of political leanings. "Only one labor party advocate got the floor and his attempts to have the two issues separated were unavailing."

Thoroughly stifled were resolutions introduced by the "rank and file" delegation relating to the Lundeen unemployment insurance bill, Green's attitude to the San Francisco general strike, a report on the trade union movement in Soviet Russia, and the matter of the withdrawal of union leaders from official participation in the N.R.A.

J. B. S.

"Slimming the N.R.A." - Raymond Gram Swing
The Nation. October 17. 2300 words.

The tendency of the Johnson regime in the N.R.A. was towards fascism, being self-government in industry under one-man rule with labor in a subordinate status. When the reorganization of the N.R.A. was linked with the proposal for a truce between capital

and labor it appeared as though the tendency toward fascism would continue unchecked. As fascism draws near, self-government in industry comes first; the complete subordination of labor follows inevitably. The labor truce precedes the outlawry of industrial war. With the abolition of strikes, under the guise of compulsory arbitration, the self-government of industry becomes government by industry. It is a fact, however, that the N.R.A. is being dismantled as a fascist-like instrument and will not be used as a precursor to compulsory arbitration.

The Williams, or administrative, board with two business representatives, two labor representatives, and one consumer representative, is to be in charge while the N. R. A. goes through a slimming treatment. The codes are to be kept as permanent machinery, retained principally as the most useful device to prevent child labor and maintain minimum wages. But the whole conception of unfair competition is due for a revision, as out of this conception came price fixing which will probably be retained only for industries exploiting natural resources.

The permanent form of the N. R. A. will be devised by the Industrial Emergency Committee headed by Donald Richberg. With him are Harold L. Ickes, Harry L. Hopkins, Frances Perkins, and Chester Davis of the A. A. A. A third board, which is to have charge of code compliance, has not as yet been named. Suggestions have been made that labor questions, before reaching this board, should pass from the N. R. A. to the Department of Labor, where they naturally belong. There is no sign, however, that the President is planning new machinery to handle labor conflicts, or that he will weaken the Industrial Relations Board, or seek to build up a system of arbitration to outlaw strikes. He has explicitly denied that he was seeking to weaken the right to strike and only desires that there should be no strikes or lockouts before the machinery of mediation has been tried.

The response to the President's proposal of a truce should warn him that progress through mediation is difficult.

S. M. G.

"Women and Wages" - Alma Lutz
The Nation. October 17. 1300 words.

There is much doubt whether the labor legislation compact entered into recently by six northeastern industrial states (Massachusetts, Maine, New York, Connecticut, Rhode Island, and Pennsylvania) will be of any great advantage to the working women as a class.

This plan, recommended by President Roosevelt to governors of thirteen industrial states, consisted of the passage of minimum wage laws for women and children. The outcome has been that seven states, (New York, New Jersey, New Hampshire, Ohio, Connecticut, Utah, and Illinois) passed such laws in 1933, and in 1934 Massachusetts made similar regulations mandatory.

Men have not wanted the minimum wage laws applied to them, feeling that they interfere with their right to contract. At the Interstate Conference, Miss Charlotte Carr of Pennsylvania urged that men be included in minimum wage regulations. Her plea was opposed on the grounds that organized labor was not in favor of minimum wages for men.

False sentimentality regarding the need of women for protection is simply covering up the fact that men's freedom from wage restrictions enables them to undercut women who are bound by labor legislation. Employers much prefer to deal with workers unencumbered by such "protection." California, which has attempted to enforce minimum wage laws since 1913, reports that women have found it difficult to get work because men and boys over eighteen were willing to work for less than the minimum wages paid women. In North Dakota, employers said rather than pay the required minimum wage for women they would replace them with men. In Oregon, the minimum wage for women in a cannery was 27½¢ an hour. Men and boys were hired for less. The women petitioned the State Welfare Commission to reduce their wage to 22½¢ per hour that they might compete with men. This was eventually done. In New York, where minimum wage law was hailed as a boon to women workers, it has never been enforced.

All women's organizations today are asking for equal pay for equal work. They can not expect this when they also ask for special legislation for women. The two will not jibe.

"Minimum wage ruling in the N.R.A. codes has been used as propaganda for State Legislation. The N.R.A. ruling, however, does not class women and children together. It prohibits child labor and regulates the wages of both men and women. Although in many industries the minimum wage for women is unjustly and unfairly set lower than the minimum wage for men, at least the fact is (now) recognized that to be useful, minimum wage schedules must apply to all adult workers."

A. E.

"The Price is Too High"
The Nation. October. 700 words

In the opinion of The Nation, it was a tragedy that the leaders of the United Textile Workers of America accepted the Winant Board proposal for a settlement of the Strike. In issuing its report, the Board admitted the grievances of the workers to be real, and at the same time stated that it suggested two more boards of investigation, to report after February. The fault in accepting the truce seems to have been with the labor unions which wished to comply with the President's proposal for an industrial truce. The settlement was affected by the Textile Labor Relations Board which is entirely independent of the N. R. A. The employers remained quiet until the strike collapsed and then definitely asserted that they have little intention of living up to the ideals of the Winant Board. Textile leadership weakened, leaving the strikers no better off than prior to the dispute.

Labor settlement has reached the point where existing state and federal agencies for mediation and arbitration have not shown sufficient competence to guarantee to the worker his share in controlling conditions of labor. He should not be asked to give up "his right to strike for a mess of boards."

W. F.

"A New Business Census" - R. C. W.
Nation's Business. October. 750 words.

A revealing measure of the depth and breadth of the depres-

sion is furnished by the reports of the Census of American Business which was begun January 1, 1934 by the Bureau of the Census with funds provided by the Civil Works Administration. The broad economic currents show significant variations from the figures for 1929, the year of the last retail survey.

The total volume of retail trade was much lower than expected, the chain stores as a whole making no better showing than other types of stores. A surprising disclosure was the finding that there were only 22,000, or 1.5 per cent, less retail sales outlets in 1934 than in 1929 despite the many commercial failures recorded since the latter date.

Retail sales in the 1,520,339 stores aggregated $25,700,712,000, a 47.7% drop from the 1929 showing when 1,543,158 stores made sales amounting to $49,114,653,000. How the personnel fared is suggested by the shrinkage of full time employees from 3,833,581 to 2,691,310, though part time workers increased from 676,559 to 930,900. Payrolls declined from $5,028,282,000 to $2,669,243,000 for full time workers. and advanced from $161,387,000 to $252,706,000 for part time employment. Average annual earnings for full time employees tapered from $1,312 in 1929 to $992 in 1933.

S. M. G.

"Business Speaks for Itself"
Business Week. October 27. 900 words.

The cotton code, first in operation under the N.R.A., shows that control has worked satisfactorily. The industry's chairman on code authority states that 95% of the industry's membership strongly favor limitation of machine hours. This has not curtailed output, but has distributed work more evenly between Northern and Southern mills.

Of other industries which adopted machine hour methods of production control, all report satisfactory operation except one group which wants to make changes in its hour schedules.

Where units of an industry had already cooperated closely before the N.R.A. came along, the permit plan has been more satisfactory.

Manufacturers of productive machinery were much concerned about production control. At first, they showed hostility towards all limiting provisions, but they have changed their attitude because of increased need for new and more machinery which came after the codes went into effect.

In natural resources, industries attempting to limit production have had varied success. The oil code troubles have made history. Production control in lumber has been effective in some fields and has caused dissension and legal battles in others.

Industry wants to continue the codes. Some changes are suggested because it is found that not all of the varied types of control work equally well.

W. F.

"Current Trends in Industrial Education" - Compiled by Frank Cushman
Industrial Education Magazine. September 650 words.

This article is an outline of conclusions reached at a con-

vention of industrial and recreational officials held in Sacramento several months ago. It is adapted from a report of the conference distributed by the California Industrial Association, Bay Section.

Surveys reported at the conference showed: (1) There has been no significant decrease in the demand for skilled workers. (2) The surplus of workers has largely been among those who are incompetent--poorly or partially trained;the new labor saving devices require workers possessing higher degrees of skill. (3) There has been a tremendous decrease in the demand for unskilled and semi-skilled labor.(4)A fluctuating demand exists for machine operators.(5) There is increased demand for specialization in the preparation of workers.

The N.R.A. codes are having the following effects on vocational training and industry: (1) elimination of practically all workers under 18 years of age; (2) acceleration of specialization in industry; (3) shortening the period of training; (4) equalization of cost elements in production,-hours, wages, machinery, and certain other items.

Recent developments and trends which should have an important bearing on a modern program of vocational education are: (1) increased age of entrance into industry; (2) increased mechanization of industry; (3) progressive elimination of unskilled labor; (4) higher standards in the selection of personnel; (5) shorter hours of production work; (6) developments of new methods, new materials, and new products, to which the individual worker must find some way of adjusting himself; (7) greater output per man hour; (8) longer working-life expectancy, (9) decadence of long-established skilled trades and development of new ones;(10) elimination of child labor; (11) stultification or repression of the craftsmanship instinct; (12) progressive specialization in the tasks of the individual worker.

M. H.

"England Turns to her Home Markets" - Gerard Swope
Today. October 13. 1350 words.

Two years ago the slogan throughout the British Empire was, "Buy British." Today it is, "Buy and Sell British."

Home, rather than foreign markets, have become of primary importance to the industrialists of the United Kingdom. Independence of other countries is being sought. Retained imports dropped $820,800,000 in 1931-1933, a decrease of 21%. During the same time exports dropped $139,200,000, a decrease of 8%.

During the first eight months of this year,retained imports showed an increase of 12% over the corresponding period of 1933. Exports, too, showed an increase of approximately 9%. The most significant thing,however,is that the growth in imports was principally in raw materials. Through August, this growth was 27.5%, while the increase in manufactured goods was only 17.5%. Britain is undoubtedly moving toward the supplying of her own needs.

For the first seven months of this year,the flow of capital to private enterprises was from $370,000,000 to $460,000,000. For the twelve months ended July 31, new capital issues aggregated $740,000,000as compared with $545,000,000in 1933,and $465,000,000 in 1932 on the same dates.

"Seventy-five percent of the new capital for the first seven months of 1934 is for use at home. About $115,000,000 is intended for the 'Dominions overseas',and only a small fraction for foreign countries. In other words,it is to be used for meeting more fully the needs of England's home markets."

Last year 210,000 of the 267,000 homes that were built were financed without state assistance of any kind.Largely as a result of this great activity in home-building,the consumption of electricity is increasing rapidly. Industrial use of electricity is increasing also,although in not so marked a measure. The increase in the use of electricity calls for more heavy machinery, mostly for use in their grid system,which links central stations. Under this system no station has to have capacity for peak demands, but can draw upon another station distributing less than its full power.

The increasing demand for electricity is also having an important bearing on unemployment. In the engineering trades, (skilled mechanics, machinists, etc.) unemployment has fallen from 25% in 1933 to 14.8% thus far this year.

Unemployment is still heavy in shipbuilding,mining,and iron and steel manufacturing, although it is less than it was a year ago. Unemployment in the building trades,the chemical industry, the distributive trades,and transportation also has fallen slightly.

At the end of July, the number of unemployed was 2,162,000 which compared with 2,508,000 in 1933 and with the maximum of 2,921,000 in 1932. The whole number of persons under unemployment insurance is 12,300,000. The number unemployed at the end of July was 16% of this,and was approximately 5% of the total population.

Wages have remained generally the same as heretofore. The forty-eight hour working week also remains unchanged.

The Ministry of Labour put the cost of living in Great Britain at 2% higher, in July of this year, than it was a year ago. Retail food prices were 3% higher.

Unemployment still is greatest in the durable, or capital goods industries, and changes in unemployment have been at a uniform rate since 1932, when the peak was reached - the decrease in 1933 was 13.1%, and so far this year, 13.7%.

A. T., Jr.

"Ford Scans the Current Tides"--An interview with Anne O'Hare McCormick New York Times Magazine. October 21. 3700 words.

Governments: "Governments can't fix things. No one will ever get me to say that government should do anything but govern.Its business is policing,seeing that nobody interferes with the rights of anybody else. For one thing, politicians don't know enough to fix anything; it takes years of hard experience and experiment to learn to manage any business.For another thing,only general principles of justice can be fixed; everything else is in process of perpetual change. And this change is not produced, is hardly even affected, by political movements."

Change: "What's going to alter our lives is probably happening this minute in a backyard workshop, where some crank is thinking by himself."

Crop reduction: "I am opposed to plowing under crops and killing pigs and cattle, chiefly because I believe that the pressure of surplus forces the discovery of new uses for materials . . . Mass

production drew people away from the first industry (farming), drew the most enterprising--like a new frontier.Now it sends them back to the land, but not as they were; they are quicker, more competent, more resourceful. They will industrialize the land, create new combinations of industry,another rhythm of production. I say that what's happening to agriculture and to industry is happening in the laboratory, not in A.A.A.or N.R.A. or any agency of government."

Policy: "To give . . . (my) workers money enough to buy what they produce and time enough to use up what they buy."

Warning:"Until the American business man reacts from his reliance on Santa Claus or his fear of a dictator and sets out to put his own house in order he'll get nowhere, and we'll get nowhere."

Labor-management:"If it (Ford industry) were managed for capital, for stockholders and such parasites, we would not scrap plants, throw out machinery with plenty of life in it. That's what engineer-managed industry does;it thinks of product first,not profits first. And that policy doesn't scrap men, either. It takes more men to make a machine of 15,000 pieces, like today's model, than to make one of 3,000 pieces, like the early cars."

Collective Bargaining: "Bargaining in the matter of wages and hours and working conditions, as we see it, conducted by unions and employers,by strikes and lockouts,degenerates into a struggle to get the better of the other fellow . . . Manufacturers have to pay for their markets in wages... The industry that has to be coerced into raising wages deserves to be gobbled up by those who do; left alone it will be, never fear . . . How many strikes do you think are inspired by labor, or in the interest of labor? Oftener than not, as I can prove, strikes are the weapon of unscrupulous capital. . . Usually, however, it is to get an excuse to raise prices to the public. At that, I wouldn't call strikes waste, or advocate any Fascist system of calling them off.They're experience."

Brains: "There aren't enough brains under fifty to run anything."

Unemployment Insurance: "Unemployment insurance as a solution for unemployment is a typically political solution and one of the best ways to insure having unemployment.The pressure of unemployment is one of the hammers bludgeoning us to find a way to abolish unemployment."

Frauds: "In recent years we have seen the American people gulled three times: First, by the militarists and munitioneers, so that they rushed to invest their savings in bonds to carry on a senseless war; second, by the capitalists, who bought up small companies, capitalized them until they looked big, and then palmed off the watered stock on a public that thought they were big; and now by the Government,with its expensive claim that it can fix everything."

Good News:"The best thing I have learned this year is that a good many Americans still live in the United States--people who want to help themselves more than they want Uncle Sam to help them. After while they get tired of chasing what my father used to call 'Willie the Wisp.'"

Heritage: "The old fellows who started us . . . guaranteed us no more than the right to the pursuit of happiness. And we've got to have the pursuit motive in life, in labor, the sharp goad that whips us on,or there's nothing left. The one thing we've got more of than the rest of the world is future! And plenty of provision for the future without being wards of government."

M. H.

EXCERPTS FROM THE NEWS

A reduction in the number of urban families on relief in September as compared with August is reported by the F. E. R. A. based on reports from 110 cities. The Federal outlay for September was $46,276,000, while August relief cost $49,306,000. In July there were 3,800,000 families on the rolls, calling for expenditures of $130,863,000, the number increasing in August to 4,000,000 families who received $147,000,000 in Federal relief. While forecasts indicate some 5,000,000 families will require help this winter, the F.E.R.A. notes that the number is now on the wane rather than rising.

(- New York Times, October 13)

Activities of the Baltimore Emergency Relief Commission showed a drop of 319 families and $17,070.43 in financial aid for the first week in October, a period which in past years has resulted in an increase in demands. Part of this decrease was due to the more intensive check-up on applicants by BERC field workers, whose individual load has now been cut to 87 families per worker. The week also saw the removal of 247 persons from relief through their finding employment.

(- Baltimore Sun, October 14)

According to a statement recently made by Dr. William J. Ellis, State Commissioner of Institutions and Agencies in New Jersey, it is almost 50% cheaper to keep the average old person in his own home or the home of a relative than in an institution. The Old Age Pension system, which has been operating in that state for two years, allows $15 a month per person. The cost of maintaining a person in an institution is $30 a month.

(- New York Times, October 13)

The relief problem in Virginia may cause a special session of the Legislature because of Harry L. Hopkins' insistence that Virginia is not bearing its share of relief. In the past, in place of relief appropriations for "made work" programs or direct aid, the State has given employment on highway construction to thousands of idle men. Fearful that Washington will no longer sanction this substitute for State relief funds, a general sales tax of 1% has been proposed as a means of raising $4,000,000 for aiding the needy, with the Federal government still to pay at least half of the total relief bill. Another phase of the situation is the disclosure of the high costs of dispensing F.E.R.A. funds. In April, for instance, the first month under the present set-up, $75,000 was spent in administering $154,000 in relief. In one county, administration costs were $576 and the actual relief amounted to but $6. This high ratio had been considerably altered by July, when the F.E.R.A. was well organized. That month, however, furnished an example of widely varying administrative expenditures in different counties. In one county, each case cost $3.17 to handle, while in another county, the cost was $34.29 per case.

(- New York Times, October 14)

In the 12 months ending September 30, the Federal Surplus Relief Corporation shipped 692,228,274 pounds of foodstuffs to needy unemployed in thirty states, territories, and the District of Columbia.

(- New York Times, October 18)

Germany's second winter relief campaign, recently opened by Hitler, will again feature the compulsory one-Sunday-a-month one course meal in homes and restaurants, the savings resulting from the abbreviated meal to be given to charity. In ordinary restaurants, the price of this meal can not exceed 50 pfennigs (about 20 cents), while higher priced eating places can charge two marks, but must turn over the difference to the relief fund. Other features of the campaign will be drives for potatoes, fuel, and clothing; Brown Shirters on street corners soliciting funds; and a curtailing of governmental social activities. (- New York Times, October 11)

The F.E.R.A. had distributed a total of $1,070,556,169 to states up to August 31. Of that sum, Pennsylvania has received $96,973,451; New York, $123,114,233; and New Jersey, $32,435,986. (- Financial Chronicle, October 13)

While the Federal Government collects but one fourth of the total amount raised by taxes throughout the country, it is bearing almost two thirds of the public relief burden. (- New York Times, October 22)

No attempt will be made to compel employers or workers now employed to participate in any scheme evolved for the benefit of those now unemployed, the President's Committee on Economic Security has decided. The Government would bear the expenses of an "extension" system, should this be put into effect, and it will be kept separate from any self-sustaining employment insurance plans. The "extension" method, as it is practiced in England, provides aid for the unemployed after their insurance has expired and also for those who never paid insurance premiums. England's present unemployment insurance plan costs from 3½% to 4% of total wages, with employer and employee contributing, but the worker is charged a flat rate, not one based on his particular wages. (- New York Times, October 16)

The Monthly Survey of Business declares that industrial unemployment in August, 1934, had dropped 2,856,000 compared with March, 1933. This comparatively small amount of re-employment has raised the workers' total buying power to the point where it is $600,000,000 a month more than it was in March, 1933. (- New York Times, October 15)

College graduates with a knowledge of stenography are the type of workers most in demand in large business concerns, according to Lawrence W. Zimmer, director of the New York University Bureau of Employment. The post of secretary to an executive for two or three years is better experience for a man desiring advancement in a specialized business than the intensive training systems prevalent before the depression. Mr. Zimmer said that part-time placement in his Bureau increased 24.9% and full-time jobs rose 41.3% in 1933-34. Summer placements, however, showed a decrease of 61.7%. He noted that when the N.R.A. codes went into effect, employers at once started paying the minimum salaries allowed under the new regulations. But after the first of the year, more money was offered to attract experienced men and women who, heretofore, had seen no advantage in switching from one poorly paid job to another. The resultant demand for personnel forced employers to raise their offers. A rising salary scale has been noticed this fall, positions formerly paying $15 to $20 now paying $20 to $25. (- New York Times, October 14)

The number of employed in Pennsylvania's anthracite companies increased 15% and wages rose 18% in September, as compared with August. These figures were compiled from the reports of 34 companies, employing approximately 79,000 workers whose collective earnings average $1,901,862 weekly.
(- Financial Chronicle, October 20)

James A. Gorman, umpire of the Anthracite Board of Conciliation and special agent of the National Labor Relations Board, urges a survey of the anthracite industry to determine its problems and solutions for them. Unemployment, company employment needs, hiring, firing, and labor activities in general should be covered in the survey, which Mr. Gorman prefers to have made under Government supervision. In a report made to the National Labor Relations Board he discloses the fact that anthracite production had dropped from 100,445,299 tons in 1917 to 49,507,577 tons in 1933, and that only 102,469 men are now employed in the industry, the lowest number on record since 1900.
(- New York Times, October 13)

Vocation-counseling interviews in the Y. M. C. A. as a whole increased 65.5% last year. (- Christian Science Monitor, October 25)

A Federal scheme has been announced whereby 1,000 unemployed college graduates will be put to work at once in soil erosion work, to be trained for technical positions in the federal soil conservation service. The job-training course will last from six to eight months.
(- York Gazette & Daily, October 24)

The New York Botanical Garden, aided by some 75 unemployed persons furnished by the Works Division of the Department of Public Welfare, has just completed a compilation of the Index Kewensis. It is a series of six loose-leaf volumes containing the generic and specific names of plants and all the sources of technical knowledge available and is said to be the only one of its kind in existence. Many of these persons, starting out as inexperienced assistants in the work, are now as proficient as the regular laboratory staff employees. (- New York Times, October 14)

A questionnaire sent by the Merchants Association to business executives in New York City revealed that 445 believed the Government's recovery program had helped their business, 619 declared it had retarded their progress, and 201 said there had been no change, one way or the other. Another query was: has it increased profits or decreased them? Some 344 merchants said it had boosted them, 772 asserted it had lowered them, and 165 answered that the program had had no effect on their profits. "Do you think the present policy of the government with respect to labor tends to discriminate unduly in favor of employer? Employee?" was another question. Replies showed that 89 felt it favored the employer, 1640 said it unduly favored the employee, while 199 believed it favored neither party. That increased activity does not always go hand in hand with increased profits was clearly shown by results in the manufacturing division. Here 40% reported an increase in activity, compared with 35% who reported the opposite; yet only 30% reported increased profits, against 52% who noted a decrease in profits. (- New York Times, October 22)

A state-wide survey recently concluded by the Massachusetts Department of Labor & Industry revealed that of the 1,808,840 employables within the State 624,526 persons, or 34.5% of the workers, were without jobs on June 13,1934.
(- The Nation, October 24)

The Philadelphia Local Works Division Musicians Project has provided employment for 250 musicians since last February, at which time a symphony orchestra, a little symphony orchestra two concert bands, and two dance bands were organized. Relief funds have also come to the aid of the North Carolina Symphony Orchestra, which has been given a federal grant of $45,000 to cover its activities for 6 weeks. In Boston, the local branch of the E.R.A. is considering a project whereby 500 unemployed singers, musicians, and actors may present free performances of operas this winter.
(- Musical America, September)

Up to September24,the Government had purchased 6,074,808 head of cattle from drought-affected regions and the total will soon have reached 6,500,000 of the 7,000,000 it was planned to acquire. The cost of this program will approximate $92,000,000. (- Financial Chronicle, October 13)

Employment in September declined to the level of October, 1931, according to the Labor Department. Secretary Perkins declares employment would have risen by 116,000 had it not been for the textile strike. Employment gains occurred in wholesale and retail trade and in the coal mining, building construction, dyeing and cleaning, and power and light industries. Declines were recorded in the iron and steel, hardware, automobile, and boot and shoe industries.
(- Evening Bulletin, October 19)

The P.W.A.has announced the allotment of loans and grants totaling$2,838,700 for 31 non-Federal projects which will provide 18,275 man-months of direct employment on construction sites in 15 states. This program will also mean an increase in employment for firms manufacturing materials that these projects require. P.W.A. loans and grants for non-Federal activities now total $999,182,983. (- Financial Chronicle, October 20)

The Farm Belt is in much better condition than it was a year ago when discontent was rampant and farm strikes were being organized in seven western states. The Bureau of Labor Statistics index on average prices of farm commodities shows they have risen 23% since last October, while the total farm income is estimated at nearly a billion dollars more this year than last, in spite of the drought. More than a million loans, totaling $1,800,000,000, have been made by the new Farm Credit Administration. Next year, cash bounties amounting to an estimated $623,000,000 will be paid by the A.A.A.
(- New York Times, October 14)

At the next session of Congress, the A.A.A. will ask for power: to enjoin licensed handlers of farm products and others from violating their licenses; to examine books and records of distributors, processors, shippers, "middle men" and other licensees;and to pro-rate production quotas and shipping allotments. (- Christian Science Monitor, October 26)

The land policy section of the A. A. A. is retiring from cultivation in the western states hundreds of thousands of acres of submarginal farm lands in drought affected states. Most of this retired land will be turned into grazing pastures, though a portion of it may be devoted to game reserves and national forests or parks. The families to be moved from these areas will relocate on smaller farms already under cultivation. The plan is to make self-sufficient the large proportion of these families who are at present existing on Federal relief. While this work is being effected, a survey is also being made in six states of "problem" areas, which problems include over-burdening taxes and debts, over-capitalized irrigation districts, inadequate acreages for individual farms, and unprofitable tracts.

(- Baltimore Sun, October 14)

The latest check up on Pennsylvania crops indicates the drought of last summer had less effect on western counties of the state than was at first forecast. Present indications are that with the exception of tobacco, hay, peaches, and buckwheat, all crops will show an increase over 1933 production figures.

(- York Gazette and Daily, October 15)

Since the inception of the N.R.A., more than $2,000,000 has been restored to workers, representing the difference between wages paid and minimum wages as stipulated in the codes.

(- United States News, October 15)

Present returns from 500,000 farmers in 16 states show a two-to-one vote in favor of continuing the A.A.A. corn-hog program for another year. The "one-contract-per-farm" plan for 1936 was turned down, however, by 232,999 to 229,480 votes. Only two states, Kansas and Nebraska, were against continuation of the present A.A.A. program. Signers as well as non-signers of the 1934 corn-hog contract were allowed to vote on both questions. In most cases, the former vetoed both proposals. Complete decentralization of the agricultural administration is being planned. Community and state groups or committees will handle the wheat, cotton, corn-hog, and tobacco programs for next year, the A.A.A. confining its activities to acting in an advisory capacity on general policies.

(- York Dispatch, October 13 and 16)

For the first time since January 1, 1932, the average pay for farm hands is $1 a day and board according to reports of the Bureau of Agricultural Economics. There was a general advance in farm wage rates from July 1 to October 1, save in the West-North-Central States.

(- Financial Chronicle, October 20)

The Farm Credit Administration estimates that more than $1,217,000,000 of farm debts have been re-financed to date by Government loans.

(- United States News, October 22)

The H.O.L.C., up to October 12, had advanced $1,737,826,749 to urban home-owners throughout the country. This sum covers 579,179 individual loans, the average of which was $3,001. Applications for re-financing have been received from 1,723,396 home-owners in the United States and Hawaii.

(- Christian Science Monitor, October 25)

Twelve rural-industrial communities to be located in various parts of the country, housing from 150 to 700 families each, will be constructed immediately with relief funds. Harry L. Hopkins stated that detailed plans for 50 such projects are on hand at relief headquarters, but money to build them all is not yet available. These communities are to be built with relief labor and funds and occupied by families taken from relief rolls. It has not yet been decided whether these homes will be sold or leased to the occupants. Five or six industries, several of them nationally known, are trying to locate in the rural-industrial community at Red House, West Virginia. Some of them will be allowed to establish plants there and no attempt will be made by project officials to regulate such firms.

(- Evening Bulletin, October 19)

England is in the midst of a housing boom that is playing an important part in its trade recovery. Last year some 256,000 new houses were constructed by private speculators or by the owners, aided by building societies, while this year the total will reach 300,000. This has caused the erection of many new glass, concrete, and white stone factories and is giving employment to 425,000 men in various construction trades. The profits of industries affected by this boom have risen 87% in the past year.

(- New York Times, October 14)

A dilapidated one-story house in Chicago was recently entirely remodeled in six hours by 92 workers, while a similar sized dwelling in Oakland, California, was given the same treatment in four hours by 125 men. Both demonstrations were staged to arouse interest in the new national housing act.

(- Christian Science Monitor, October 26)

The living conditions of people in slum areas and the improvements now taking place or planned are graphically portrayed in the Housing Exhibition of the City of New York at the Museum of Modern Art, October 16 - November 5. Photographs, charts, materials, models, and actual portions of a tenement are used to tell the story. Of the 530,000 tenement flats said to have existed in the city, some 1,100 have been eradicated since March 15. The purpose of the display is: (1) to show the deplorable mode of living of millions of New Yorkers; (2) to explain the obstacles encountered in obliterating the evils; and (3) to demonstrate the advantages to a community of proper housing and the results achieved abroad in this field.

(- New York Times, October 16)

The P.W.A. has exercised the first of a series of options on properties in a sixteen-block area of the Williamsburg section of Brooklyn where slums will be replaced by modern four-story, walk-up dwellings. The new housing will have room for some 10,000 persons, who will pay from $6 to $8 a month per room. This project, representing the first federal-municipal slum-clearance and low-cost housing development, will cost from $8,000,000 to $12,000,000.

(- New York Times, October 13)

The Department of the Interior announces that $200,000 has been allotted to develop three subsistence homestead projects for negroes in Alabama. They will house 75 families.

(- Christian Science Monitor, October 26)

Business in Sweden has so improved that in some respects, it is equal to that of pre-depression days. Unemployment has been reduced to 80,000 persons. Unsettled conditions in world markets and the lack of good foreign investments have left the country in the peculiar condition of having too much money on its hands. Banks are overloaded with dead capital, non-interest bearing; they no longer welcome savings accounts, on which the interest has dropped to around 2%; the official rediscount rate has been cut to 2½%; and trust and insurance companies are investing in common stocks or savings accounts, due to the lack of gilt edge securities or government bonds. A recent Government loan was oversubscribed five times in twenty minutes. The reasons behind this situation in Sweden are: the extraordinary business improvement in Sweden as compared with many other countries; the desire for security of money rather than income; the unwillingness of private capital to seek investments abroad; the rationalization of Swedish industry, including small inventories and quick turnovers of stocks, making large industrial loans unnecessary; and the lack of domestic bond issues to absorb new capital.

(- Evening Bulletin, October 23)

Some $95,000,000 was added to the wage bill of the steel industry the first full year of operation under the code. (- Financial Chronicle, October 20)

According to figures of representative companies, during the first six months of this year American industry realized 5.7% on its investment, compared with a low of 1.7% returns for the corresponding period last year. Profits of some 407 corporations for the first half of 1934 totaled $835,000,000, according to the Federal Reserve Bank. This compares with $75,000,000 during the same period in 1933 and $19,000,000 for the first six months of 1932.

(- United States News, October 15)

The cost of living of wage-earners rose 1.8% during August, the sharpest increase since August, 1933, according to the monthly survey of the National Industrial Conference Board. This made September, 1934 costs 4.0% higher than those of September, 1933, and 13.3% higher than in April, 1933, but they were 19.6% below the level of September, 1929. In September, the purchasing value of the dollar was 123.5 cents, compared with 125.6 cents in August, 139.9 cents in April, 1933, and 100 cents in 1923. The prices of food, clothing, and rents advanced during August and September.

(- Financial Chronicle, October 13)

"IN MY OPINION".....

"The political partisan who in one breath advocates adequate relief from unemployment distress and in the next breath demands reduced taxation, less Government borrowing, and a balanced budget, is trying to make a fool of his Government and is succeeding in making a fool of himself." (Donald R. Richberg in address before the Rotary Club in Chicago)

"Once authoritative control has been established it will not always be possible to limit it to the economic domain. If we allow economic freedom and self-reliance to be destroyed, the powers standing for liberty will have lost so much strength they will not be able to offer any effective resistance against a progressive extension of such destruction to constitutional and public life generally." (Professor Gustav Cassel, noted Swedish economist)

"Today we are in a race between rising production and rising debt . . . We need to examine facts for industry as a whole, to discover how production can be quickly increased and workers' incomes quickly raised to higher levels." (The A. F. of L. in its Monthly Survey of Business)

"If our industrial system depends upon masses of workers, hired when wanted, discharged when not wanted, and who are too old for employment in what is called the middle life,industry itself should pay the cost of this involuntary idleness and premature old age." (From resolution introduced at the 51st triennial convention of the Protestant Episcopal Church in Atlantic City)

"Taxpayers are keeping more careful watch on legislation and the conduct of government operations today than ever before. This is exactly what this administration desires. We want wholesome, constructive suggestions. The safety of the government during these trying times rests upon the vigilance of the people." (Postmaster-General James A. Farley, at dedication of new Pittsburgh Post Office)

"If human needs are to be met adequately during the coming year,privately supported charitable organizations -- particularly those dealing with the family and with children--must be in a position to cope with the socially significant problems that do not come within the scope of the government's mass program." (Harry L. Hopkins, Federal Relief Administrator, on the subject of supporting private welfare agencies)

"These standpat sentimentalists who weep that farmers should practice controlled production, do not suggest that clothing manufacturers go on producing ad infinitum, regardless of effective demand for their merchandise." (Henry Wallace, Secretary of Agriculture, defending farm production control in New Frontiers)

"Men are losing sight of the fact that happiness is a thing to be sought after and struggled for, that happiness without achievement is an anomaly, a mockery . . . The main purpose of these (recent) laws seems to be the breaking down and destruction of whatever moral fibre the human race has been able to develop through centuries of struggle and stoicism." (Walter Kutzleb in The Power of Truth, an article in the October Guidon)

"I am convinced that inasmuch as an increasing proportion of our population is not needed in the production of goods, the remaining number must be used, if they are to be used at all, in the conduct of our leisure-time activities." (Dr. George F. Zook, former Commissioner of Education, in Industrial Education Magazine for September)

"Is it not better to press on in our efforts to secure more wealth and leisure, and dignity of life for our own and future generations, even though we risk a glorious failure, rather than accept inglorious failure by perpetuating our present conditions, in which these advantages are the exception rather than the rule?" (Sir James Jeans, speaking in Scotland at annual meeting of the British Association for the Advancement of Science)

"As long as under-consumption of bare necessities exists it is futile to base economic action on the analysis of the 'over-production' school of thought." (From an editorial in the October Economic Forum)

"We are all of us caught, the selfish and unselfish alike, in the complexities of the modern order. With the best intentions we may not see how either to bring about equitable distribution or ensure security without a breakdown of the whole machinery. No previous problem has ever made such demands on the highest qualities of mind and character." (James Truslow Adams in The Virginia Quarterly Review)

"Slums that are rotten to the core have too long exacted their toll in human misery and economic expense, and we propose to show the nation one way out of the problem." (Horatio B. Hackett, Director of the P. W. A. Housing Division)

"The decentralization of relief--the keeping of it in the hands of private organizations as much as we possibly can -- means that personal relationships, personal contacts, personal obligations and personal opportunities to do good will be preserved." (President Roosevelt, appealing to the nation to support private charities)

"Recovery is being checked in this country because business and industry are moving amongst a maze of interrogation points." (Clinton L. Bardo, President of the National Association of Manufacturers, in addressing annual convention of American Hardware Manufacturers Association)

"It is quite fair to say that the big business world has used every influence and argument in its power to make the Government plan a failure." (Ralph W. Page, writer, in Evening Bulletin of October 23)

"The very air is full of 'don'ts.' . . . There flows from Washington an unending stream of rules and regulations, until every banker must be a superman even to comprehend in a general way the conditions under which he can operate, and the industrial manager has to consult anywhere from a dozen to twenty-five code experts every morning before he can give the signal for the wheels to turn." (From editorial, Americanism is Economic Liberty, in October Sphere)

"A depression is nature's purge and woe to the economic order which essays to prevent the cleansing by premature doses of paregoric." (From Comment on Current Conditions in November Sphere)

ANNOUNCEMENTS OF NEW BOOKS

Work-Relief Projects Advancing in City, State and Nation. Information Bulletin #20, Regional Plan Association, Inc., 400 Madison Ave., New York City.

Explanation of principles and information about progress of planning in various fields and localities within the United States.

Bibliography on Land Settlement with Particular Reference to Small Holdings and Subsistence Homesteads. Agriculture Dept., Miscellaneous Publication 172. 492 pp. 50¢.

References to agricultural land settlement in the United States and in foreign countries which are likely to be useful to those interested in the literature of subsistence homesteads, small holdings, and land settlements as relief for unemployment.

Standards of Placement Agencies for Household Employees. Labor Dept., Women's Bureau Bulletin 112. 68 pp. 20¢.

Requirements for workers and effects of unemployment on household employment standards.

Government Experimentation in Business by Warren M. Persons. John Wiley & Sons, New York City. $2.50

A critical account.

The Science of Work by Morris S. Viteles. W. W. Norton & Co., New York City. 442 pp. $4.00

A book on industrial psychology including problems arising out of the present unemployment and economic situation.

She Strives to Conquer by Frances Maule. Funk & Wagnalls Co., New York City. 298 pp. $2.00

Business behavior, opportunities, and job requirements for women.

America Goes Socialistic by Henry Savage, Jr. Dorrance and Co., Philadelphia. $1.75

The New Survey of London Life and Labour, Vol. III, directed by Sir Hubert Llewellyn Smith. P. S. King, London. 17 s., 6 d.

This study, covering a number of unrelated occupational groups which together account for a million occupied persons, shows the effects upon employment conditions of the technological changes in the last 40 years.

Slum Clearance and Rehousing - The First Report of the Council for Research on Housing Construction. Published for the Council by P. S. King & Son, Ltd., 14 Great Smith St., Westminster, London. 140 pp. Photographs and drawings. 10 s., 6 d.

Making clear that the redevelopment of slum areas demands the simultaneous redevelopment of large areas of adjoining property, to insure enough cleared land for economic building operations and the prevention of new slum areas.

Maps and Charts Prepared by the Slum Clearance Committee of New York, 1933-34. R. H. Shreve, Director, 11 E. 44 St., New York City. 137 pp. $5.00

A study of 14 areas in Manhattan and Brooklyn considering health conditions; population density and trends; absentee landlordism, crime incidence and delinquency; public safety as revealed by fire and street accident records; availability of relief and welfare agencies, and records of charity organizations.

America's Hour of Decision by Glenn Frank. Whittlesey House, McGraw-Hill Book Co., New York. $2.50

Crucial cross-roads in national policy.

A Description of the New Deal by F. R. Fairchild and others. Macmillan Co., New York. 104 pp. 50¢

Our Looney Liberals by Frank L. McKinney. Stoneman Press, Columbus, Ohio. $1.50

A defense of conservatism in government.

Radburn: A Plan of Living by Robert B. Hudson. American Association of Adult Education, New York City. $1.25

Community living in a modern residential suburb.

Between Two Worlds by Nicholas Murray Butler. Charles Scribner's Sons, New York City. 450 pp. $3.00

Speeches, letters, and essays dealing with social, economic, and political problems of the day.

Social Insurance and Economic Security by Edward H. Ochsner. Bruce Humphries. $2.50

Most social insurance schemes are unjust to the hard-working and frugal.

The New Deal in Canada by Major Eric Harris. Ryerson Press, Toronto, Canada. 139 pp.

Agricultural Adjustment. A Report of the Administration of the Agricultural Adjustment Act, May, 1933 to February, 1934. U. S. Department of Agriculture 393 pp.

Must Nations Plan? A Discussion of Government Programs by Benson Y. Landis. Association Press. $2.00

America's Capacity to Produce by Edwin G. Nourse and associates. Brookings Institution, Washington, D.C. 608 pp.

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MISS ELEANOR WELLS,CATALOGUER,
119 EDUCATION BLDG.,
HARRISBURG, PA. DT

THE UNEMPLOYMENT RELIEF DIGEST

A semi-monthly bulletin presenting in compact form the substance of recently published material concerning unemployment and the administration of relief.

State Emergency Relief Board
Department of Research and Statistics
Harrisburg, Pennsylvania

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"The Unemployed Man" - E. Wight Bakke
E. P. Dutton & Co., Inc., New York City. 260 pp. $3.50

What has been the effect of Unemployment Insurance on the willingness and ability of workers to support themselves? In an endeavor to answer this question, Dr. Bakke, with a deep realization of the hazards involved in a cursory survey of public action and reaction, developed a sound social research technique and applied it in a study of the unemployed workers of Greenwich, a borough of London. His findings and an analysis of his technique are presented in this volume.

With a penetrating, clear, unemotional approach, the author has studied the relationship between unemployment and the various factors of community and family life; the effect of unemployment on the mental and physical stability of the workers; their activities; the comparative effect of unemployment and the attitudes toward unemployment of skilled and unskilled workers; and other pertinent phases of the whole problem. These studies, interpreted with a knowledge of the characteristics of British workers generally, led the author to several conclusions. "The workers are almost without exception in favor of some sort of unemployment insurance. They feel that the courts and the interviewing officers are not helpful but are interested in detecting fraud above all else. They are confused about their rights in some respects, particularly in regard to subsidiary employment, temporary non-insurable work, and odd jobs. Nevertheless these items are of small importance compared with the appreciation of the security which the scheme gives them."

Several effects of the scheme indicate that it has alleviated the worst physical effects of unemployment; it has kept the diet from falling to unhealthful levels; it has kept workers from falling in arrears with their rent; it has made unnecessary the wholesale disposal of furniture; it has made it possible for the workers to keep up their association with their fellows; and it has kept unrest at a minimum, the political agitation of communists failing to flourish among those secure in the knowledge that the State is assisting them to help themselves. It has not relieved, however, and cannot relieve, the moral and mental fatigue and discouragement which result from unemployment.

"Unemployment insurance has not made paupers. It may have revealed some of them and supported them." Nor has it decreased to any large extent their willingness to support themselves. (Author's italics.)

"To plan social legislation on the assumption that it should stimulate individuals toward goals which are not defined, but vaguely conceived to be a combination of foreman and prime minister goals which in their very nature can be attained by a very few, is folly and misses completely an understanding of the needs of the great majority who must ever be the concern of social legislation. Equally fallacious is the attempt to make social legislation conform in its broad outlines to the purpose of prodding the misfits and failures to self-respecting indepen-

dence. If that can be done, well and good, but it is no sign of failure if the legislation falls down in this respect. . .

"The problem for central concern is not, 'Does this system stimulate the lazy to become industrious?' but 'Does it make more secure for the industrious the rewards of their effort?' . . .

"The value is not that a system of social insurance says to individuals 'If you don't work you can't eat,' but rather, 'If you do work you can eat.'" (Author's italics.)

Throughout the entire book, Dr. Bakke has demonstrated an appreciation for, and an understanding of, the problems of the unemployed that is rarely evidenced. It is unfortunate indeed that no comparable study exists of the American unemployed. Although there are fundamental philosophical differences in social relationships between the American and the British worker, this book should prove extremely valuable to anyone engaged in or interested in any phase of unemployment, employment, and relief. I suggest that it be made required reading for relief and placement agency personnel.

E. H. O.

"Who Gets Relief and How It Is Paid For" - Corrington Gill
New York Times Magazine. October 21. 2300 words.

Two questions are uppermost in the minds of the people today: "Who are all these people on relief?" and "Where is all the money for them coming from?"

Last July 17,000,000 people, or one out of every eight persons, were being supported in whole or in part by public funds. A probable rise in relief for the Winter should be faced frankly and without alarm. Such a rise is due entirely to the season;outdoor employment comes down,and there is a much greater demand for fuel, clothing, and shelter.

Large families tend to predominate on the relief rolls. Only a small proportion of the families on relief can be considered chronic cases in the sense that there is no member of the family able and willing to work.Nine out of every ten families receiving relief contain one or more persons who are willing and able to work and who are normally steady workers. Chronic cases consist mainly of mothers with dependent children, the aged, and the disabled.

It has always been the policy of the F.E.R.A. to supplement and not to supplant local and state resources and agencies. From the beginning of 1933 to the end of July, 1934, obligations incurred for unemployment relief from public funds (exclusive of C.W.A.) amounted to $1,340,000,000. Of this amount 63% was supplied by the Federal Government, 16% by the State Governments, and 21% by the smaller political subdivisions. The proportion of local expenditures has declined during each quarter since January,1933. The proportion contributed by the States increased steadily from

9% during the first quarter of the year 1933 to 33% ($59,000,000) during the corresponding quarter of 1934. This gain was lost again in the second quarter of the year when State contributions dropped to 12%.

On every side one hears grossly inaccurate statements about the relationship of the F.E.R.A. to the state revenues. The public debt is supposed to have been increased enormously by the insistence of the Federal Government upon state and local contributions. The gross public debt is $20,000,000,000. State and local bond issue authorizations for unemployment relief amount to $300,000,000. Unemployment relief is the direct beneficiary of not more than 3% or 4% of the estimated $100,000,000 annual liquor revenue, and 1.8% of the annual $850,000,000 motor revenue. Approximately $20,000,000of the $200,000,000 sales tax is alloted to relief.

The variation in geographical location provides the greatest difficulty in apportioning relief funds, consequently the Federal Government has had recourse to the following questionnaire:

"What is the nature of its economic life? Has it been disproportionately affected by the depression? What has been its recent financial history? Has it increased or decreased its welfare or its total expenditures? Has it tried to economize? Has it tried to revise its revenue structure? Has it adopted new taxes, increased old ones, dropped sources of revenue? Does it own any readily available untapped sources of money? How much does it owe? What is its credit rating? Can it borrow or is it hedged about?"

Extremely important is the question as to whether or not the State has recently assumed the cost of functions heretofore performed by cities and counties.

A. T., Jr.

"On the Labor Front" - William P. Mangold
The New Republic. October 31. 1100 words.

"Are the people on relief to be regarded, in the old poor-law tradition, merely as paupers? Or are they to be granted the same democratic rights commonly possessed by other citizens who are able to work? Here is a problem that has received little attention or publicity, yet one that the Roosevelt Administration ought to deal with promptly and realistically. For increasingly the actions of relief officials, both federal and local, reflect an assumption on their part that relief workers have no more rights than ordinary wards of the State. Which is to say, of course, virtually none at all. Absurdly unreal as this attitude is - when nearly a fifth of the population is on relief - its consequences in relief administration are real and, at times, tragic."

That this attitude does exist is shown by the fact that the courts of six states have recently held that persons engaged on

work relief projects are not entitled to the benefits of workmen's compensation laws, and that the New York State Legislature specifically denied them these benefits. Furthermore, in many states it is very doubtful whether they are entitled to such meager protective labor legislation as at present exists. This doctrine, however correct as a legal doctrine, is obviously anti-social.

A further example of the pauper theory is that relief recipients are denied the elementary right of protest. A flagrant and vicious expression recently occurred in New York City, when a squad of policemen severely beat a delegation of unemployed in a reception room of a Relief Bureau. Subsequently, one of the social workers, Miss Dawson, who protested against the attack as brutal and unwarranted, was dismissed. Her work for two years had been considered satisfactory, but in a letter of dismissal, it was stated that her activities inside and outside of the office had made her undesirable.

Her dismissal was defended upon the grounds that she had misrepresented the facts. In any event, it was declared that the police must meet force with force and that they are the best judges of when, how, and how much force is to be used. If they decide upon clubs, then social workers shall hold their peace or cease holding their jobs.

The explanation is absurd until one seeks the real causes. Then one finds that Miss Dawson had been active in organizing relief workers and that Mr. Epstein, legal counsel for the New York Temporary Relief Administration, in an official, bulletin, said that relief employment "is a form of public welfare and not the accepted form of employer-employee relationship." The conclusion reached is that they have no right to make demands, strike, or picket.

The significance of the dismissal has been disclosed by the union to which Miss Dawson belongs. "Her dismissal, the union points out, 'condoning as it does the use of police in administering relief can serve only two purposes: to intimidate the unemployed into submissive acceptance of inhumane relief standards and to create a situation where no Home Relief Bureau worker will dare to protest brutality against relief clients.' Such an atmosphere, obviously, militates against free organization of the employees and is thus, in effect, an attack on the right to organize."

"Commenting on these cases, the International Judicial Association declares that they indicate that 'the broad powers vested in relief authorities are being extended far beyond relief administration . . . When the courts stretch neglect and desertion statutes to cover these cases, they are making submission to regulations of relief authorities compulsory by throwing workers into jail or taking their children away from them unless they submit.' It should also be noted, in view of Mr. Hopkins' declaration, that strikers participating in 'unjustifiable strikes' will not be given federal relief, that through such rulings many

workers may be similarly bludgeoned into returning to their jobs." Five unemployed, protesting against the administration of relief in Iowa, were indicted under the state criminal-syndicalism statute.

Even though the day comes when all the needy are decently cared for, it will still not be time to deprive them of the right of free speech.

J. B. S.

"The Why and How of Federal Relief"
United States News. November 5. 1300 words.

The Federal Surplus Relief Corporation, which last winter distributed farm surpluses of beef, pork, and coal to the needy, is now disposing of 6,500,000 head of cattle bought from owners in the drought area. Of these cattle 2,000,000 head have been transferred from stricken areas to regions where pasture is available and are being held for later slaughter, while a million head of cattle have already been slaughtered and will be processed by January 1, 1935.

All of this meat will be used for relief families, none being sold. Much of it is being distributed fresh, while a portion will be distributed as canned roast beef and other meat products. The purchase program has also been extended to sheep in regions where there is not food enough for them. In this way the Federal Government is making it possible for the farmers in the drought areas to maintain the maximum number of live stock able to thrive on the available food. On the other hand, the Government is seeing that every pound of foodstuffs that results from these purchases goes to provide sustenance for the needy unemployed.

"The cans alone require 58,254 tons of tin plate and every packing plant and meat canning plant in the United States that was available is contracted to the Federal Surplus Relief Corporation and has been working to full capacity. Over 128,000 full carloads of freight have been shipped on the railroads.

"In addition to removing the surpluses, protecting the cattle food situation, paying the farmers $127,000,000 for the products they produced, and feeding the unemployed, the Government is giving $137,000,000 in commerical contracts to purchase, process, and transport foodstuffs, fuel, and other commodities.

"This is going forward as a great cooperative enterprise with the Government, industries, and transportation companies each assisting in the most effective way possible." In many cases, the unemployed themselves are canning the food. In the case of surplus cotton, the idle are turning out quilts, comforters, mattresses, and other products. Work relief labor is also being used to repair worn out furniture and household appliances.

State and local relief agencies in all parts of the country have set up work rooms for these various types of labor which, in addition to keeping people busy, keep certain of them in training to follow their pre-depression occupations.

Harry L. Hopkins states: "All of this is part of our program of making a better and more secure life for those confronted with insecurity and want. To taxpayers, this is a highly significant thing. . . The use of the labor of the unemployed themselves and the production of the things they need will reduce the load on the taxpayers and the burden on American business that would otherwise be built up in future obligations. These work rooms are needed to meet this emergency. There is no thought that they will be continued a day longer than is absolutely essential."

"In addition to these operations, relief agencies throughout the country are expending approximately $142,000,000 a month. Nearly all of this is spent through regular commercial and retail stores in local communities."

M. H.

"The National Workshops" - Jonathan Mitchell
The New Republic. October 31. 1800 words.

"Under the guidance of Mr. Hopkins' F.E.R.A., the unemployed are now producing in small quantities most of the types of goods needed for a minimum standard of living." In this group are produced such things as women's and children's dresses; shirts; underwear and other cotton clothing; rugs; curtains; tables and chairs, sheets and towels; and canned goods including almost every variety of vegetable and fruit. These workers have also repaired and cleaned winter clothes, resoled and patched shoes, organized medical services, and planned and furnished recreation. Furthermore, they have organized an industry to manufacture mattresses on a large scale, and have set out to process beef and mutton.

There has been criticism of this scheme, of course, first of all by those manufacturers who would face competition if such a movement should spread. The United States Chamber of Commerce bitterly assailed Roosevelt for promoting such unfair tactics. Figures very well speak for themselves in answer to any such challenge. The latest report from Washington, dated August 15, shows that only 8%, or approximately 120,000 persons have been utilized in producing commodities, and that further, all goods so produced have been labeled "Not To Be Sold" which definitely puts them out of the competitive struggle with private business. The goods are redistributed to the unemployed on a basis of need.

"Because so many variable factors are involved, it is difficult to estimate just how far the costs of relief could be lowered if all the unemployed were set to the task of providing their own food, clothing, and shelter. Certainly the present expenditure of approximately $200,000,000 monthly could, in a short time, be cut in half."

"Of more solid importance than budget-balancing and currency stability is the fact that, if the unemployed can be put to work without thereby causing any dimunition of normal production, the national income of the United States which sank last year to perhaps $45,000,000,000 from a pre-depression average of $90,000,000,000, will be greater by just that much. The more they are permitted to work for themselves the greater the real wealth of us all."

There will be increasing pressure on all local relief administrations in the season to come, and this will lead to more projects for the unemployed, projects which will enable them, by a proposed workable scheme of collective bargaining, to sustain themselves.

A. Q. P.

"Is Relief Breeding Idlers?" - Julian R. Meade
New York Herald Tribune. November 4. 2000 words.

Work must be provided for deserving people who have had to turn to their government for help. Yet it is imperative to check the increasing dependence upon the government of that group of people who expect something for nothing. This is not an impossible order--certain definite things can easily be done. In the first place, relief and emergency work must not pay higher wages than those offered by fair private employers. Employees should not be given made jobs for which they are not qualified and paid higher wages than they will ever be able to make when these jobs end. And "relief officials can work with employment bureaus and private employers in making sure that people are made ineligible for relief when they have had ample opportunity to support themselves and their families otherwise."

Some people seem disappointed when they are told by the re-employment offices that jobs are available. "It is these people whom we do not help by making things too soft for them." More thorough investigation of relief cases would help to check their impositions upon relief organizations.

M. E. S.

"How to Interview" - Walter Van Dyke Bingham and Bruce Victor Moore
Revised Edition, Harper & Brothers, New York City, 1934.

(This is a revised edition of "How to Interview," by the same authors, published in 1931. The chapter on "Learning to Interview" has been amplified in this edition. A new chapter on the interview from the applicants' point of view has been added, and to make a place for this the section in the 1931 edition describing "Aids to a Vocational Interview" and the "Outline for the Psychiatric Examination of a Child" have been transferred to the appendix.)

"When you need to tell a man something, you may write; when you want him to act, or make a decision or reveal what is upper-

most in his mind, you go to see him." The interview - the conversation with a purpose - is relied on in a great many important situations.

It is extensively employed to secure objective data such as educational and occupational experience of an applicant for employment, and information concerning living conditions or business conditions. Subjective data or facts of inner experience are sought - data regarding likes and dislikes, worries, grievances, and work preferences. The interview is directed toward ascertaining external facts about which the interviewee knows or facts as to how he feels. It is the conclusion of the authors of "How to Interview" that the personal interview skillfully used has its greatest value in ascertaining knowledge, not about physical facts and events, but about an interviewee's attitudes and feelings. This conclusion is built up through an analysis of the uses of the personal interview and techniques that have developed in eight fields of work. These fields-Vocational Guidance, Employment, Industrial Relations, Commercial Surveys and Market Reports, Social Case Work, Education, Journalism, and Legal Evidence must rely on the interview to secure needed information. The book is interesting in that it brings together the devices or techniques in these fields which have made a specialty of personal interviewing, showing the principles that are common to all successful interviewing, and analyzing the differences in application in each field.

A great deal of emphasis is placed throughout the book on the interviewer's part. The interviewer is responsible for creating the atmosphere in the interview. It is also necessary that he be able to interpret the information that he gains objectively. The authors use a good deal of very interesting illustrative material from each of the fields discussed. An interviewer in any particular field may well profit by the techniques that are being perfected in the other fields described in this book.

M. A. M.

"The Migratory Worker and Family Life" - Marion Hathway, Ph.D., Assistant Professor of Social Work, University of Pittsburgh. University of Chicago Press. 240 pages.

The Migrant Family is defined as a "family group of one or both parents with children, who make two or more migrations during the calendar year in the course of the chief wage-earner's employment." A group of one hundred such families was used as the subject of this study. The majority of the wage earners in this group had definite trades or professions which they were unable to pursue because of economic conditions. Fifty-nine of these families gave the state of Washington as their customary residence, thirty-nine were from twenty other states, and two families did not name their homes. The majority moved on an average of four times a year, in almost every case remaining within the State.

The State of Washington was selected for this study because its three main industries, - lumber, agriculture, and fishing -

find their main source of labor in the migratory workers. The lumber industry, however, has no place for the migratory family, while the fishing and agricultural industries employ a large number of families in the fish canneries and the harvesting of the fruit and vegetable crops.

The following table is indicative of the employment calendar of the migratory worker:

Feb. 1 - June 1	-	Clam digging and canning
June 1 - July 31	-	Salmon and halibut canning
July 15- Sept.15	-	Small fruit industry,-picking and packing
Sept.15- Dec. 1	-	Apple industry,-picking and packing

These are the main industries employing migratory families. There are other crops,-wheat, hops, and sugar beets, for which a very small percentage of migratory families are employed in the cultivation and harvesting.

CONDITIONS OF EMPLOYMENT: The physical make-up of this phase of migrant labor has prevented any organization or collective action. Most dissatisfactions on the part of the workers end with their "drifting off the job." Their wages are low, their period of earning spasmodic, their wage contracts informally agreed upon by employers; even the recruiting of employees is done in a slipshod manner. Such conditions do not tend to establish a sound and equitable basis for employer-employee relationships. "The temporary nature of employment, the heterogeneous character of the group and the lack of a common background of experience in industry handicap these migrant workers in utilizing the technique of labor organization. The conditions of their employment are unplanned and unregulated."

HOUSING: The temporary workers are housed in various ways. The most used is the commercially operated auto cabin-camp, with its cabins and space for the families who pitch tents. Most of these camps are lacking in sanitary accomodations and drinking water, although a few are provided with central buildings in which are showers, toilets, and laundry facilities, but these are the exception rather than the rule. The cabins and camping ground are rented to the workers; the cabins for $6 to $10 a week, the camping ground for $1.25 to $1.50 a week.

Housing provided by the employer in some districts consists of small shacks given rent free to the workers.These are furnished with only the barest necessities and sanitary arrangements.

In a few districts, mainly in the hop-growing section, no provision at all is made for the convenience of the workers,and the families must be equipped to provide their own shelter. There are State laws with many requirements for the housing of transient labor, but they are not enforced. "There is an absence of uniform practice with reference to housing the migrant family in Washington. Living conditions in these camps could be greatly improved by adequate enforcement of rules already laid down by the Washington State Department of Health."

SCHOOLING: Three fourths of the children of the families studied were under fifteen years of age. These children are retarded in their education due to many changes in schools during the school year and the fact that they must work part of the school term. "Special provision to meet the needs of the migrant child in Washington has taken the form of adjusting the school term to the harvest season and the addition of special teachers to the schools of districts affected."

SUMMARY: "The data presented in this study indicate the lowered standard of living, inadequate housing, limited industrial opportunities and the injurious effect upon the schooling of children which attend the life of the migratory worker accompanied by his family group.

"Economic factors contributing to the development of this migratory family group in the state of Washington are the depression of agricultural products, the trend toward mechanization and large-scale production in the industry, the decline of lumber, and the effect of the general unemployment and depression upon other occupational groups. If family migration is to be viewed as an essential element in the industrial organization of the state, there is placed upon the state a heavy burden of responsibility for safeguarding family standards."

A. E.

"Bums? No; Just Job Hunters!"
United States News. October 29. 1100 words.

Three fourths of the transients in this country are looking for jobs. This statement by Mr. Howard Myers, Director of Research and Statistics of the F.E.R.A., is based on a survey of transients in thirteen cities where transient camps or centers are located.

"Inspections indicate that a large majority of transient cases have no desire to be on the road and would rather be absorbed in industry. It is for this reason that the Federal transient centers established in various cities are making a serious effort to prepare transients for steady work."

Further investigations showed that nearly two thirds had no definite destination in view; one third were headed for areas where they felt there was some possibility of getting a job, while a still smaller proportion were enroute to claim jobs already promised. Approximately one fourth of the cases, Mr. Myers felt, could be classed in the "hobo" or "drifter" class.

The latest figures indicate that there are now approximately 250,000 men and boys in transient camps or centers. Since last March, when this number was set at 120,000, the transient rolls have risen from 9,000 to 15,000 monthly. Mr. Myers attributes this increase to: financial stringencies that have affected private relief agencies; the expansion of facilities in Federal transient camps; and seasonal pursuits, such as berry picking and truck farming.

A transient family costs the authorities about $27 monthly, while the cost per individual is placed at 74¢ per day. Expenses in these transient camps are kept down by having the occupants run their own laundries, canning factories, clothing shops, etc.

Wm. J. Plunkert, Transient Director for F.E.R.A., has received a proposal whereby a large group of transients would work on a California farm, a project calling for an initial outlay of $15,000. It is estimated that this project could be made to yield a return of $40,000 in garden produce alone at the end of the first year.

The Government shipped back to their home towns, to families or to friends, or, in some cases, to jobs, more then 40,000 transients between April and August of this year. For this type of transportation the Government received "charity rates" from the railroads and bus lines, these rates being one half the regular fare.

As to the extraction of these wandering unfortunates, Mr. Myers' survey showed that more than nine tenths of them were of native stock, while approximately one seventh of the native born were negroes.

M. H.

"Tying Down the Transients" - Avery McBee
Baltimore Sun. November 11. 4000 words.

Fort Eustis, Warwick County, Virginia, built during the War as an army camp and used more recently as a prison for violators of the prohibition law, is being reconditioned and prepared to house 2,000 jobless men during the coming winter. The Federal Transient Bureau plans to develop here a self-supporting community which will eventually care for 5,000 men sent by Maryland, Delaware, the District of Columbia, and Virginia. Fort Eustis is to be the model for all agricultural-industrial centers designed to furnish permanent havens for the floating unemployed.

The reservation, which has 20 square miles, is served by its own railway system and 30 miles of macadam road. Other resources left by former tenants include miscellaneous rusty machinery and abandoned trucks which can be renovated, and a small fleet of ships in the James River which can be utilized for fishing projects.

The men are encouraged to follow their own vocations. Those who have no trade are taught one. They work 5½ hours a day, having half a day Saturday and all of Sunday free. Remuneration consists of their keep, their work clothes, and $1 a week.

Although the project has been under way but a few weeks, the workers are already operating a machine shop, wood-working shop, railroad shop, and sheet metal, plumbing, tinning, blacksmith, and automobile repair and battery shops, as well as a planing mill, sawmill, and road and farm machinery repair shops. In addition,

they operate their own power house, telephone exchange, ice plant, refrigerating and cold storage plant, central heating plant, steam laundry, and bakery.

The former tenants left 1,000 acres of land under cultivation, and it is planned to have another 1,000 acres under cultivation before the winter is over. The reservation has herds of sheep, cattle, and hogs, and its own poultry farm, also a dairy, cannery, slaughter house, dressing plant, and silos.

In addition to these industrial and agricultural units are other groups which include the motor transport men, warehousemen, the camp patrol, and landscapers. The plans also extend to the manufacturing of steel beds, mattresses, and pots and pans, but only for their own use. Nothing will be sold on the outside.

Recreational opportunities are furnished by a library, moving pictures, amateur dramatics, gymnasium activities, and the publishing of a local magazine.

William J. Plunkert, Director of Transient Activities, states: "The few of these industrial-agricultural centers that we have are showing remarkable results . . . The transient unemployed . . . will be the last to be employed when normal times return, for the various states naturally will bend every effort to take care of their own jobless citizens first. . . The regional camps will go far toward checking drifting of unemployed, for they offer homes and companionship, as well as sustenance and clothing in exchange for work."

G. R. W.

"More Jobs, Less Dole"
Business Week. November 3. 800 words.

Construction work is to be stressed in the Federal spending program for the coming year in the hope that another Federal "push" will at last start business off on its own momentum. A certain amount of direct relief is necessary and will be continued, but it is now planned to hand over certain chronic relief cases to local charitable agencies.

Projects already under consideration would entail an expenditure of $5,000,000,000. "This may not look like curtailment of the activities of business agencies, which President Roosevelt discussed with the bankers, but he said then that such curtailment would be proportioned to the extent to which private business takes up the slack. The major features of the new program will be set up on a reimbursable, but not invariably on a strictly self-liquidating basis. It is a money-back plan on fairly long term amortization at nominal interest rates. Perhaps none at all in some phases."

Much of the money to be spent in the future will be used in creating jobs of higher usefulness than those provided for under the C.W.A. program which gave work to 4,000,000 men for four months at a cost of $1,000,000,000.

Again much emphasis will be laid on the so-called "priming" of business and industry. The P.W.A., in its fifteen months of operation, has spent more than $1,700,000,000 and still provides employment for close to 1,000,000 men, including C.C.C.,T.V.A., and administrative employees, but has not caused a substantial pick-up in conditions.

While P.W.A.has alloted its entire fund of $3,700,000,000, there still remains unspent two billion,of which $1,200,000,000 is to cover Federal projects including budgets of various government agencies and some $800,000,000 is to be used on non-Federal projects. Nearly all Federal construction projects are under contract.

Of the $998,000,000 handed out for non-Federal projects, $6,000,000 has been spent to date on completed projects, $622,000,000 is being spent on projects in the process of construction, $23,000,000 is under contract, and $32,000,000 is being advertised for bids.

Allotments for new projects are continuing to be made out of the $150,000,000 released by the rejection of 683 projects that have been turned down for various reasons. The P.W.A. will secure more money to finance construction programs by the resale of municipal bonds purchased as security for its loans. Only $13,000,000 has been derived from this source to date.

The peak of employment on construction projects financed by the P.W.A. was reached in August when the monthly payroll of $35,000,000 was disbursed to 624,000 men. A similar outlay was made in September,though work had fallen off to the point where but 550,000 men were employed.In addition to direct employment, a substantial volume of secondary employment was caused by the filling of orders for materials which, in September, totaled about $500,000,000.

F.E.R.A. and State Relief Administration officials have been busy these past months canvassing the country for high grade projects. A number of these are to be started at once. The entire program is designed "to lift construction to a substantial percentage of normal volume."

M. H.

"An Orphan School-Home" - Lawrence E. Davies
New York Times. November 4. 1600 words.

A school capable of training 1,500 orphan boys for college or the trades is soon to be opened in Hershey, Pa.,by the founder of the community, Milton S. Hershey. First preference for admittance will be given to poor, parentless boys born in Dauphin, Lancaster, and Lebanon Counties; next, to youths from any other part of Pennsylvania; and then to those from any part of the country.

Boys from 4 to 15 years of age will be accepted, cared for, and trained until they are 18, and then sent out into the world with $100 and a job. Those taking trade courses will alternate between two weeks of classroom study and a similar period at actual trade practice.

A check-up of those who have graduated from the present Hershey Industrial School since it was founded in 1909 reveals that 97% of them have jobs at present.

M. H.

"How Ten Large Cities Meet Relief Problems" - George H. Copeland
New York Times. October 28. 1400 words.

One fourth of the $18,000,000 monthly relief fund required by New York City is provided by the City Treasury. The sum is raised by taxing businesses and incomes.

However, tax levies are not sufficiently remunerative to bear the local share of the relief burden in most cities. In Detroit, where a general tax yielded only about one half the sum expected, it was necessary to appeal to the Federal Government to make up the deficit. Cleveland has turned to a special welfare levy on real estate, while Boston raises money through real and personal property levies. Real estate in Baltimore has already been taxed to the limit. Chicago and Cleveland benefit from a tax on gasoline.

The Los Angeles Community Chest organization, which represents more than 100 fixed charities and other public welfare activities, raised and distributed $1,916,741 last year. It is estimated that $2,249,340 will have to be collected this year to meet their needs.

Boston engages in an annual city-wide drive for funds for the needy unemployed, and until recently collected between $3,000,000 and $5,000,000 which is divided among twenty private charitable agencies.

In Pittsburgh, a collection campaign, handled by the Allegheny County Welfare Association, is carried on by volunteers who canvass business houses, homes and factories.

A collection of $438,129 was made in St. Louis during the first eight months of 1934 by means of voluntary subscriptions during the annual relief drive, the funds having been handled by the Citizens' Committee on Relief and Unemployment. This method of raising money has been found unsatisfactory in Philadelphia.

"San Francisco points with some pride to the fact that a cut in the salaries of municipal employees, amounting to $1,500,000 annually, has done much to alleviate the condition of its needy unemployed." A bond issue of $6,500,000 for relief was also floated in this city.

The Federal Government has, in most cases, borne a much larger share of the relief burden of these cities than the state and municipal governments. Indications are that the Federal share of this financing will increase substantially in the future.

M. E. S.

"The Taxpayer is Shown"
Midmonthly Survey. October. 300 words.

The Department of Public Welfare of Jamestown, New York held three open-house evenings in its headquarters in the old State Armory Building, the first for members of the city administration, the second for professional and business organizations and the other social agencies, the third for the general public. "Relief is the city's biggest business. Come and see how it is conducted," was the invitation.

According to Eleanor J. Corcilius, case supervisor, "Everyone who came found something or other to interest them. Business men beamed at our charts and statistical reports; insurance men lingered in the insurance-adjustment division; everyone to the humblest taxpayer was interested in such tangible things as the shoe-repair shop. We have abundant evidence that, as a result of our three parties, the community has a clear impression of a straightforward, open public welfare organization serving both taxpayers and dependents. As a by-product, we have noted among the staff a better understanding of the functioning of the various divisions of the department and hence better team-work."

H. G. M.

"Model Community Opens in Arkansas" - Thomas Fauntleroy.
New York Times. November 4. 750 words.

By January 1st, 200 or more families will have moved into the Dyess Federal Farm Colony in Mississippi County, Arkansas. Fifteen families, representing eleven different counties, have already arrived, thus bringing into reality the first of the New Deal social experiments by which a Mississippi forest is to be turned into a model community of prosperous and contented people.

W. R. Dyess, Arkansas Relief Administrator after whom the colony is named, is responsible for the $150,000 investment. About 16,000 acres of land were bought at an average cost of $2.50 per acre. Since marketable timber was cut from this land years ago, it has lain unused with no one willing to bear the expense of clearing away the undergrowth. This is the first task of the homesteaders. The Government will furnish them with the necessary tools, seed, and advice until their earnings enable them to repay the loan and become independent.

During the past summer, 1,500 men from the relief rolls were employed in the saw-mills preparing lumber for the new homes.

About $700,000 has already been spent in this work. The houses which are being built vary from three to five rooms, and cost an average of $1,100 each. The improvements such as drainage,wells, bathrooms, kitchen fixtures, and electric lights run the cost of the land and home together up to $1,500.

Eligible families must be adaptable to farm life. Each must have one member able to earn a cash living while the remainder of the family works on the land. The wage earners will help to grade roads through the colony, build recreation halls and warehouses, and develop other phases of the project.

V. H. G.

"A Sociologist Views the New Deal" - Henry Pratt Fairchild
The Social Frontier. October. 2800 words.

The Hoover administration was the end of an era. The social and economic dogmas that had been logical for a century suddenly proved themselves inadequate when the "forces of disintegration and dissolution inherent in that system had accumulated momentum that predetermined a violent collapse soon after Hoover took the chair. There was little that Mr. Hoover could do except to try to "stem the flood and to reverse the current by recourse to the doctrines, dogmas, and devices that were indigenous in the old system, of which he was himself a product." In this endeavor he received the loyal support of the American people for many months but when it became apparent that Recovery was definitely not around the corner, an aroused electorate swept Republicanism out of office with a vote that was in essence a demand for radical change.

Given this situation, it was imperative that Mr. Roosevelt act and act quickly. As a humanitarian and a liberal he doubtless was anxious to do all he could but the important fact is that,even if the Democratic party had not been pledged to reform, the necessities of the situation would have forced them to do the many things that were not at all in the American tradition of government.

To the writer the President seems "an economist of the old school, though with a distinct liberal bent. He accepts most of the basic doctrines and interpretations of classical economics. He regards the relationship of employer and employee on the conventional terms as a permanent and desirable one. He has no desire to alter the customary class differentiations in this country. He does not perceive that the price and profit system has completely played itself out, and proved itself unworkable under modern conditions. In brief, he thinks that the nineteenth century economic system is a pretty good old machine after all, and if it can only be pushed to the top of the hill and started down, it will soon pick up life and go ahead under its own power."

But with this economic conservatism he displays a "sturdy political liberalism" that makes possible his acceptance of the responsibility of government for the welfare of its citizens and

enables him to boldly strike out in new directions with a refreshing disregard for tradition and precedent.

The combination of these qualities explains the President's approach to the problems of the depression. Orthodox economic thought places the emphasis on prices and profits rather than on wages. To raise prices, the Administration has resorted to gold buying, price fixing, devaluation of the currency, etc while the most important price of all, wages, has not had the benefit of the New Deal's ingenuity to nearly the same extent.

For some reason "prosperity displayed a stubborn disinclination to return"so it became necessary to turn to the "insistent task of keeping people from starving to death and developing a degree of discontent that might result in revolution" Here again, orthodox economy dictated that heavily increased income taxes, a capital levy, or a scientifically controlled inflation was not the way to finance this gigantic program since that would discourage industry by cutting into profits. It, therefore, has been necessary to resort to borrowing, thereby laying a terrific handicap on any future comprehensive construction program.

The nineteenth century economics was predicated on scarcity; America was apparently cursed with abundance. What is more logical than that we destroy brood sows and cotton and withhold land from production? The wages of labor are determined by a process of bargaining, so after employers had been fortified by codes and trade associations it became necessary to strengthen the arms of labor by the expansion of labor organizations to a degree unheard of in this country. The hope that somehow these two armies will work together harmoniously is not convincing.

"This," to Professor Fairchild, "is the tragedy of The New Deal. Inspired by a truly humanitarian spirit, refreshingly experimental in its outlook, abounding in details that are in themselves admirable, it not only lacks any vital and original philosophy of social reorganization, but also for its main landmarks clings tenaciously to the dominant features of an outworn system, profits and capital accumulation as the main dynamic of production, and the conflict relationship between employer and employee. There is really no discernible trace of a genuine reconstruction program in the whole New Deal. There are innumerable evidences of a desire to curb the excesses and eradicate the arrogancies of the old system, but no hint of an intention to supplant the system itself with something modern and constructive. There is a laudable eagerness to minimize the sufferings of the victims of the old order, but no will to abolish the order that makes such suffering inevitable."

W. E. O., Jr.

"National Planning" - Harold I. Ickes
New York Times. October 14. 4200 words.

This article presents the view that "as a people bent on freedom we have no alternative but to assert stronger control

over the economic forces that effect the common welfare." The author expresses no patience with those who would bind our progress by appealing to our past. He preserves for the American the American way of life, i.e., the precious heritage of each to follow the dictates of his own conscience, each to live his life his own way, limited of course by respecting the collective rights of all of us and according those personal rights to our neighbors that we insist upon for ourselves.

Rugged individualism he defines as something entirely different in that it does not mean freedom for the mass of the people, but oppression. It implies exploitation of the many by the few and the un-Christian theory of "dog eat dog," letting "the devil take the hindmost."

He excuses the pioneer forefathers who, seeing before them apparently illimitable natural resources, proceeded to exploit them. But now the country, having grown up, must check the waste excesses of the past.

As the two classes of people who pretend to see anything disturbing in the efforts being made to feed the hungry, clothe the naked, and lead the country out of the economic morass into which it was plunged, he designates the disgruntled politicians and the group of exploiters. These he characterizes as those who enjoyed special privileges and those who acquired a disproportionate share of wealth, prestige, and power. With these two groups he includes the retinue of camp followers, little brothers of the rich, and great "constitutional lawyers."

The above factors have forced a planned economy upon the country, not only from within but from without. In an emergency, of course, sound planning may not be possible, but as marked economic changes occur in rural and urban life there is a place in the scheme of government for a serious attempt to look at a problem in its entirety. He cites flood control, oil control and the condition of life on marginal lands. An attempt might be made to do away with the "pork barrel" method of building public works and substitute for it an orderly, well considered, and expertly planned program of integrated projects. This would cultivate the tolerance leading to higher social ideals, and would preserve that equality of opportunity which is the cornerstone of American civilization.

A. S. H.

"Britain's Formula for Recovery - And Ours" - Harold Callender
New York Times Magazine. October 21. 2500 words.

In drawing a comparison between Britain and America it may be broadly stated that both left the gold standard, one reluctantly and with fear and trembling, the other by deliberate policy; that both have sought to develop the home market, Britain mainly by a tariff, America mainly by government expenditure; that both have provided cheap credit, Britain through the customary channels, America chiefly through government

investment; that both have sought to reconstruct their economic life to some extent, Britain by expanding her domestic market to make up for shrunken exports, America by developing a greater degree of planned regulation and a protected wage level to insure proportionate purchasing power.

Both countries have gone in for experimentation, but in Britain the experimentation has been very canny, even reluctant, and has been forced by events, while in America it has been bold and sweeping, seeking to forecast and guide events.

The expenditure for unemployment relief was one of the immediate causes of the downfall of the Labor Party in 1931 when the present coalition, Conservative-dominated Cabinet came into power. It was contended that the grants to the unemployed had overloaded the budget, and the predictions of a huge deficit were followed by the abandoning of the gold standard.

The new government was obliged to practice economy and to balance the budget in order to stabilize the pound. Consequently its first actions were deflationary, and tended to curtail purchasing power. Then came the tariff which overcame an adverse balance of international payments, at the same time providing greater opportunities in the home market for British products.

Confidence in government finance and in sterling had been so well re-established by the summer of 1932 that the conversion of $10,000,000,000 of war-loan bonds could be announced, the interest rate being reduced from 5% to 3½%. The conversion saved the Government a considerable sum of money.

Negotiation of trade treaties with foreign countries was the next step. There has been a favorable redistribution of empire trade. Britain's purchases increased from 30.3% to 38.8% of the total, while her exports to the empire rose from 43.8% to 45.1% of the total.

As another consequence of the tariff, the Agricultural Marketing Acts were passed in 1932 and 1933. The farmer was now protected against foreign competition, and the organization of marketing methods to meet the new domestic market was begun. The principle was that of regulating production and supporting prices, in some cases with the aid of state subsidies.

Britain did not face any serious social crisis, thanks largely to her system of unemployment insurance (wrongly called a "dole"). The system has borne an impossible burden in recent years and has had to be revised. Beginning next year the insurance system will be supplemented by a scheme for relief centrally administered and based upon need.

The net results of British recovery may be summarized thus: Unemployment is slightly more than 2,000,000, or about 600,000 less than when the gold standard was abandoned. The index of industrial production indicates, for the second quarter

of 1934, an increase of 14% over the corresponding quarter of last year; and the general index of production is higher than at any time since March, 1930.

A. T., Jr.

"A Big Full Time Program to Keep Congress Busy"
United States News. October 29. 1000 Words.

Among the prospects for the next Congress are: (1)"A plunge into the field of home building;slum clearance and grade crossing elimination on an advanced scale, with a broad use of Federal credit. (2)A venture into social insurance - unemployment reserve and old age pensions-as a means of separating the employable from the unemployable, and thus simplifying the task of caring for those out of work. (3) An extension of the idea of the Tennessee Valley Authority to other river valleys - such as the Missouri, Arkansas, and Columbia - as a means of getting better use out of natural resources."

The next Congress will also have to face the fact that relief next year may require $2,000,000,000. It is suggested that this large sum be used to finance a huge building program, thus creating many new jobs and making this expenditure an investment, on which returns would eventually be received rather than an outright gift in the form of direct relief.

Congress may be asked to extend Federal credit in the following forms:(1)"Slum clearance in cities, which Harold Ickes, Administrator of Public Works,thinks can be expanded gradually to absorb from $1,500,000,000 to $2,000,000,000. (2) Completion of a large number of subsistence villages out in the country, where people on relief rolls can be placed in a home and probably on a job. The first of these villages is being built at a cost of from $1400 to $1600 per home, including land. Work is done by people on relief rolls. (3) Creation of subsistence homesteads for groups of people not on relief rolls, but stranded. Several of these homesteads are nearing completion. They are to be tied in with decentralized industrial plans. (4) Elimination of grade crossing on railroads, with work to be done by those at present unemployed, partly at Government expense and partly at railroad expense. (5) A step-up in the home repair program in the spring. (6) A step-up in the speed with which the long range housing program authorized by the last session of Congress is put into effect. This involves a reform in mortgage financing and Government guarantee of long term mortgage papers,so that banks can have mortgage loans that are liquid. Since the great percentage of banking business has involved real estate loans, this is regarded as of vital importance."

M. H.

"Social Security in the United States, 1934" - American Association for Social Security, Inc., New York. 193 pp. $1.75

The value to American democracy of organizations such as the American Association for Social Security is indubitable. It

is here that the legislation of the Republic is shaped If representative government is to work, it will be through such pressure groups. The Association was formed some years back to work for the passage of Old Age Security bills, legislation that seemed extremely liberal in the twenties After a long period of what must have seemed fruitless effort, the depression aroused the American Middle Class to the necessities of action. People who had drifted comfortably for years with the vague assurance that God was in His heaven and all was right with the world suddenly were faced with the problems of joblessness, depleted saving accounts, lapsed insurance policies, etc. The great body of workers had somehow learned to take insecurity for granted but the new proletariat had never been forced to consider the meaning of a homeless old age, sickness with no money for a doctor, and empty ice boxes. Within five years almost half of the states of the union have adopted mandatory old age security laws; unemployment insurance has become a probability; and conservatives find it possible to discuss the socialization of medicine without references to Russian attempts to overthrow American institutions.

The book "Social Security" is the complete report of the conference that took place last April in New York City. It reveals the strengths and weaknesses of all such liberal enterprises. Points of view include that of the liberal politician who is willing to compromise even on fundamentals to get a law on the statute books, the discouraged veteran reformer who is still working but somehow feels that only a complete rebuilding of the social order will cure our ills, and the convinced professional man who is realistically trying to serve society. The Labor Movement is poorly represented; the farmer, not at all. The proposals of such a group will be soundly drawn, carefully worked out in all details, and skillfully maneuvered through legislative committees, but they are apt to reflect the often contradictory viewpoints of the members of the organization and will at the best be some distance to the Right of the great masses of the people when finally adopted.

Three different types of social security legislation were discussed: Old Age Security, Health Insurance, and Unemployment Insurance. The hopes of the organization for the first seem to be centered on the Dill-Connery bill which, as the Washington representative of the organization claims, will "act to liberalize provisions of twenty-eight state laws by lowering residence and age requirements. It will aid immeasurably in the financing of existing systems. It will also insure enactment in rapid succession of laws by the remaining twenty states still delinquent in their care of the aged, and will make of us a country which in respect to its aged is civilized and humane." There was considerable discussion on lowering the age of retirement which averages between 65 and 70 years and on reciprocity between states.

The need for health insurance has not received public support to the same extent but figures presented by Alden B Mills, Managing Editor of the Modern Hospital, are significant. "Let us,"

he said, "look first at the physicians' calls - since they are obviously the most important single element in medical service- and see the relative amount of service received on the average by persons in different income classes. At the one end are the 15 per cent of our people who, in 1928, had incomes of less than $1,200. They received in the pre-depression years an annual average of 1,932 visits from physicians per 1,000 persons or roughly two calls per person per year. At the other extreme is the 3 per cent of the population that had incomes in 1928 of $10,000 and over. They received an annual average of 4,734 visits per 1,000 persons, or an average of four and three-quarter visits each per year. . . Any average group of 1,000 individuals who are representatively distributed by age should have, on the average, 5650 calls from or to a physician during a year." And, finally; "A total of 47 per cent of the people in the lowest income class have no medical, dental, or eye care whatsoever during a year, although only 14 per cent of the people in the top income class appeared to be so free from illness."

Unemployment Insurance, if one may judge from the addresses, is threatened by the internal dissension of its supporters. The relative merits of the Wisconsin or reserve plan and the Ohio or State-wide pooled fund plan were argued but, as Dr. Rubinow asked the association, "May not, then, the unemployed and their families have the right to address a very direct and frank question to their friends on either side: 'Will you who claim to be defenders of our interests allow this dogmatism, these various intricate economic theories to stand in the way of union between all of you, which is absolutely necessary if the vicious opposition to progressive labor legislation is to be overcome? Is any one of you so sure of the logic of his reasoning, and of the accuracy of his prophecy, that he would allow these to remain as obstacles on the road towards security which we and our dependents are so sorely in need of?'"

W. E. O., Jr.

"Unemployment Insurance? It's Coming." - <u>Arthur Van Vlissingen</u>
Factory Management and Maintenance. October. 450 words.

The typical Wisconsin employer's idea of compulsory unemployment insurance is given as follows: "We do not think unemployment insurance or reserve legislation either desirable or advantageous. But if we must have some, then we think the kind we have is the least objectionable and likewise is the type most likely to bring about the social benefits for which it was designed."

The Wisconsin law provides "that each employer of 10 or more people shall pay into a reserve fund 2% of his monthly payroll until the amount in his reserve fund equals $55 per employee who earns less than $1500 annually; thereafter 1% until it totals $75 per such employee. At $75 no further contributions are required until withdrawals deplete the fund or until some other circumstance such as an increase in total payroll, makes the monthly contributions once more mandatory to bring the fund up to the legal level."

After a two week waiting period, the employee who has been laid off is eligible to receive up to $10 a week for not more than 13 successive weeks.

The employer makes his monthly payments to the State Treasurer, who holds the funds in separate accounts for each employer.

Instead of the foregoing plan, financially responsible employers may guarantee 42 weeks employment of not less than two thirds of the hours normally worked, this guarantee being subject to the approval of the Industrial Commission. A second option allows employers to adopt certain voluntary plans which have received the approval of the Commission.

This law will exert a strong influence on all employers to stabilize employment. It will reduce all kinds of cyclical, periodic, and seasonal unemployment by forcing the employer to care for his people through all minor periods of unemployment and through parts of longer periods.Since each employer's fund is kept separate, the employer who stabilizes his employment will not be penalized for the misdeeds of the employer who does not. The Wisconsin plan is predicated upon the idea that something can be done to prevent or at least minimize fluctuations in employment. The European or Ohio plan seems to assume that nothing can be done to reduce unemployment, therefore we must go ahead with a plan that will indemnify the innocently suffering employee when he is out of work.

T. L. P.

"Committee on Economic Security Outlines Study"
New York Times, October 13 and Commercial & Financial Chronicle, October 20. 1200 words.

The Committee on Economic Security composed of Secretaries Perkins, Morganthau, and Wallace, Attorney-General Cummings, and Federal Relief Administrator Hopkins, is to gather data to place before the next session of Congress. The Committee announced on October 12 that it is studying eleven distinct phases of the subject. Leading authorities have been appointed to investigate in detail such problems as unemployment insurance, old age security, meeting of economic risks and illness, public works as a means of economic security, and making available opportunities for employment. Members of the committee are also considering the subjects of survivor's insurance,special measures for the economic security and protection of children,dependency and relief, handling and investing of reserve funds, economic security for the farmer, and fiscal aspects of the security problem.

Professor James W. Glover of the University of Michigan has been appointed to discover ways of financing the program. Thomas H. Eliot,associate solicitor of the Department of Labor and counsel for the Committee, is studying administrative possibilities and constitutional questions which may arise in connection with it.

W. F.

"No Evidence of Disequilibrium in Major Divisions of National Output, 1919-29" - Leonard Kuvin
The Annalist. October 12. 2000 words.

Consumers' goods are those items of value which are not used in the production of more values while producers' goods are those which are used to produce other goods or services for sale or profit. A durable item is one whose serviceable life extends over a period of years while a non-durable item has a distinctly limited life. Thus there are durable producers' goods such as machinery, factory equipment, etc.; non-durable producers' goods,- fertilizer, foundry and machine shop supplies, etc.; durable consumers' goods,- jewelry, automobiles, etc.; and non-durable consumers' goods,- food, coal, clothing, etc.

One theory of the depression frequently advanced is that which holds that industry's present state of collapse "was induced by a conspicuous over-production of capital goods" (producers' durable goods) "which interfered with the so-called normal distribution of purchasing power" and that "an under-production of capital goods is of necessity a cause of continuance of the depression and that steps must be taken in due course to resuscitate the capital goods industries. Very often the combination of these views finds expression in a doctrine which holds that a lack of balance existed in the years prior to 1929 between outputs of consumers' and producers' goods and between durable and non-durable goods."

In the author's opinion, the data yields no positive evidence that this is the case but indicates that activity (as measured in dollar values) "in production and construction channels exhibited a fair degree of balance in the post-war period 1919 through 1929, and also in the pre-war year 1914." Tables are presented giving dollar values of consumers' and producers' goods, construction, etc., for the years 1914, 1919, 1921, 1923, 1925, 1927, 1929, 1931, and 1933. The figures for 1921, 1925, and 1929 will give some idea of the data on which Mr. Kuvin bases his argument:

Durable and Non-Durable Goods
Values (Millions of Dollars)

	1921	1925	1929
Durable	13,643	22,839	26,100
Consumers'*	5,121	8,848	8,722
Producers'*	6,916	11,109	14,198
Public Construction	1,606	2,882	3,180
Non-Durable	24,446	30,719	35,169
Consumers'	20,891	26,280	30,318
Producers'	3,555	4,439	4,851
Total	38,089	53,558	61,269

Percentage Distribution

	1921	1925	1929
Durable	35.8	42.6	42.6
Consumers'*	13.4	16.5	14.2
Producers'*	18.2	20.7	23.2
Public Construction	4.2	5.4	5.2
Non-Durable	64.2	57.4	57.4
Consumers'	54.8	49.1	49.5
Producers'	9.3	8.3	7.9

*Including private construction.

W. E. O., Jr.

"Tax On Machines Now Proposed" - Ralph W. Page
The Philadelphia Bulletin. October 24. 1400 words.

Mr. Page quotes Mr. Sherman Badger, writing in Barron's Financial Weekly, to answer the question of "How is the country to solve the riddle of technological unemployment?" In 1929 two men with the aid of machines produced as much as three men did in 1919. During this period, four million men were displaced by machine efficiency. "Experience has shown that as man power becomes dearer the ingenuity of the inventor and the efficiency engineer increases. The N.R.A. failed to lift the unemployment burden largely because, under the stress of increased labor cost, the manufactures installed further labor saving devices."

To meet the crisis in the contest between machine values and human values, Mr. Badger advances the solution of taxing the machine. To lower wages would be difficult socially and probably impossible politically. The alternative is to raise the cost of the use of the machine.

"It would not do to tax all machines indiscriminately, for that would only intensify the search for still more efficient (labor saving) machines which could produce so cheaply that they would compensate for the tax. It would seem more logical to impose a tax based upon the value added by manufacture, with an all important exemption for pay-rolls. If, for example, the value added by manufacture in a given company were one and one-half times the payroll, there would be no tax. The more the value added exceeded one and one-half times the payroll, the stiffer would be the tax.

"Under such a tax, the employer who chose to increase production by utilizing machines without a proportionate increase in payrolls would have to pay a heavy tax for the privilege. The more he preferred machines to men, the larger would be his tax. This tax creates an inducement, proportional to the tax, for him

to give a preference to man and to act in accordance with the ultimate aim of the State, namely, that all men must be employed. Would not such a tax appeal to labor? For labor has never before obtained so fundamental a privilege and preference."

It is thought that this will also appeal to the employer. Under mass production, unit costs rise rapidly as volume decreases. In the search for profits, volume is the prime consideration. Unless the total market for a product expands, the only way for each producer to enlarge his volume, and cut his cost, is to take business away from his competitors. Under a progressive manufacturer's sales tax, the competitive advantage of lower cost achieved by intensive use of the machine can be minimized automatically to any desired extent, so that small business, no matter how small, can compete with large agglomerations of capital on a quality basis, the mass production advantage being absorbed by taxation.

P. K.

"Why Everyone Can't Have $5000 a Year Income"
United States News. November 5. 500 words.

The claim that an equal division of the wealth in this country would give all workers $5000-a-year salaries is nullified by available statistics and offsets the validity of certain political movements now seeking an even distribution of national income.

In 1929, the record-breaking year of all times, the total income distributed to individuals amounted to $31,000,000,000, and $2,000,000,000 was held back by corporations to go into reserve. That year workers received a total of $53,000,000,000. Property income, which includes stock dividends and rents, and entrepreneural income (income to managements and to owners and promoters of business) aggregated $12,000,000,000.

Estimating that there are 50,000,000 gainfully employed in this country when everyone desiring work has a job, this means that the $53,000,000,000 for labor would have meant an average income of $1060 a year, or approximately $88 a month. Adding the $12,000,000,000 in property income and entrepreneural income, supposing that the two were diverted to workers, the average income would be raised to $1300 a year, or about $108 a month.

While such a division would mean a decided increase in earnings of the average worker, it is a far cry from the belief that such distribution would amount to $5000 a year. And now with the decline in national income, which amounted to 40%, or an income of only $49,000,000,000 in 1932, the average would be far below the 1929 figures.

M. H.

"Home Work Creates an Economic Issue" - Rose C. Feld
New York Times. November 4. 2100 words.

Under the guise of "industrial home work," the sweatshop system of labor in this country still exists and flourishes, adding to unemployment and retarding recovery.

This type of work has been permitted on the supposition that it enlisted only the services of those physically unable to do outside work or those who were kept in their homes by the demands of children or aged dependents. Now, however, it frequently attracts all members of a family,-the young and strong, old and weak alike, who receive from 3¢ to 10¢ an hour. Out of these meager returns, they must pay agents' fees, and workers employed in homes other than their own must also pay transportation.

Many of these under-paid employees not only deprive thousands of legitimate factory hands of employment, but must turn to relief rolls when they find themselves unable to exist on their small earnings.

As for the manufacturers, the factory-owner type is helpless in the face of a competitor who has no factory, cuts his expenses in a dozen other ways, and on top of all that, pays wages anywhere from 50% to 90% less than those given factory workers.

Dozens of laws regulating or curtailing home-work have been passed by states or the Federal Government. About 20% of some 600 codes contain regulations for this type of labor, while 80 codes prohibit it. Yet the evil persists and is a problem of no mean proportions. Code stipulations, it seems, have been unsatisfactory to employer and home-worker alike, the latter lacking certain privileges and protections now afforded the factory employee.

The further the worker is removed from the manufacturer's "base of operations," the cheaper the wages become. The slum or tenement home-worker gets more than the suburban worker, the suburban worker, in turn, earns more than the village or rural worker.

An idea of the large number employed in these "home-industries" can be gleaned from the fact that the knitted head-gear division of infants' and children's wear alone gives work to an estimated 20,000 in the New York City area and another 75,000 persons in other parts of the country. They make 3¢ an hour, while the minimum wage for this industry, according to the code, is 35¢ an hour in the North and 32½¢ an hour in the South.

Many goods in the past have been shipped to Porto Rico for finishing, but the introduction of a code there, raising wages, may cause manufacturers to send their materials to China or Japan for processing.

Porto Rico boasts some 7,000 needle-workers in factories and 70,000 in homes. Under the code, salaries are $5 a week for machine sewing, $3 a week for hand sewing, and $2 a week for hand sewing in the home. But last summer, Mrs. Roosevelt, while on a visit to the islands, discovered some women who were working for as little as 60¢ a week.

M. H.

"Industrial Truce or Strife" - Lewis L. Lorwin
New York Times. November 4. 3200 words.

Labor unrest continues despite President Roosevelt's appeal for an "industrial truce" between employers and employees. Labor leaders are beginning to wonder whether they can place reliance on the government's machinery for adjusting disputes, since some of the National Labor Relations Board's decisions with regard to Section 7a of the National Recovery Act have not been enforced upon employers.

Measured by the usual standards, 1933 was the year of the greatest labor unrest since 1922. But there is a peculiar feature in the 1933-34 strikes. There have been few general or protracted struggles but rather a continuous explosion of small, quick strikes localized within narrow areas and most of them confined to single establishments. Since the Autumn of 1933 nation-wide strikes have threatened in the automobile industry and in the iron and steel industry but only that in the textile industry actually materialized.

Recent strikes have been essentially organizational strikes to enforce the right to organize and to obtain union recognition. Organized labor took Section 7a to mean governmental sanction of the trade union as a device for collective bargaining. Employers generally refused to accept this interpretation, believing that the A. F. of L. craft unionism was obsolete in view of the industrial set-up of the codes; that trade unions deliberately slow up production; and, because of the persistence of the individualistic tradition, that the employer must be master in his own plant.

The reaction of anti-union employers to Section 7a took one or both of two forms: first, the favoring of employee-representation plans on a "company union" basis; second, a stiffened resistance against the demands of organized labor.

Hence, we have on the side of labor an upsurge of hope; a vision of a wage class completely organized with consequent mental exaltation. On the side of employers, there is a rallying to the traditions of the past, a determination not to permit the imposition of trade unions upon industries which have been, until now, free from them, and a concerted move to maintain the status quo in industrial relations notwithstanding the N.R.A. and codes of fair competition.

Automobiles and iron and steel are still danger spots, and the general situation has many explosive elements. One is the declaration of the Attorney-General that he will not prosecute the

Houde Engineering Company for refusing to abide by the decision of the National Labor Relations Board on majority rule. The second is the decision of the A.F. of L. to organize the automobile, rubber and other mass-production industries on a "vertical" basis. The first fact means that labor unions will decide that there is no protection for them in the decisions of the labor boards. The second fact means a new drive to organize the industries mentioned.

In view of the widespread dissatisfaction of labor with the present arrangement, Mr. Lorwin insists that we develop a new attitude toward labor organization and collective negotiations. Industry must come forth with a new concept of leadership which will allow for the growing maturity of workers in industry. In that case, the undoubted difficulties inherent in collective dealing will be more than compensated for by the élan of concerted national progress toward a new order of industrial reason.

S. M. G.

"Industrial Disputes 1919 to 1934"
Conference Board Service Letter. September 30. 500 words.

Strike activity, as measured by data compiled by the United States Bureau of Labor Statistics, has been diminishing despite the recent epidemic of strikes and labor disputes.

The number of disputes in American industries averaged 130 per month in 1933 and 121 per month for the first 6 months of 1934, as compared with the monthly averages of 303 in 1919, 284 in 1920, and 199 in 1921. The decline in 1921 was caused by the appearance of a slight industrial slump following the 1919 boom, bringing the number of disputes to a new low of 93 in 1922. With the recovery of business, disputes rose to a monthly average of 129 in 1923, but gradually declined thereafter to a low of 52 in 1928. The peak month in 1933 was August with 246 and the peak month in 1934 was May with 192. The high months of 1933-34 were below the average of 1919-20.

The number of workers involved in industrial disagreements dropped from a monthly average of 29,120 in 1927 to an average of 19,205 in 1929. The monthly average rose from 13,176 in 1930 to 67,678 in 1933. The peak month in 1933 was September when new industrial disputes involved 244,636 workers.

The monthly average of man-days lost dropped from 3,149,950 in 1927 to 831,268in 1929 and rose from 227,531 in 1930 to 1,234, 903 in 1933. The peak month in 1933 was September when 3,873,662 man-days were lost.

Analysis of the disputes from 1927 to 1933 shows that 71.5% involved only a single establishment and a little more than 100 strikers. Strikes were caused by dissatisfaction with existing wages which evoked 68% of the disputes in 1932 and 69% in 1933, while disputes involving union recognition increased from 16% to 23% during the same period.

The settlement of these disputes in favor of the worker increased from 27% of all strikes in 1932 to 31% in 1933. Those settled in favor of employers fell from 43%in 1932 to 30%in 1933.

The group of industries most affected by strikes during1933 were clothing which had 347; textile, 315; building trades, 113; and mining, 113.

W. F.

"All Right, Mr. Green, What Next?"
The New Republic. November 7. 600 words.

Roughly one fifth of the working population is involuntarily idle. The trend is toward increasing unemployment.

The major task of the country is to end this tragic waste. To shorten the existing working hours is merely "spreading work" unless production is increased. Mr. Green of the A. F. of L. suggests a national plan to increase production and put men to work. If the level of production were increased 30% in a balanced program all would be well, - more men employed, more wages to them, more power to consume, and more production.

This means, first, a plan of what and how much to produce and what and how much can be consumed. Then wages, costs, and prices must be controlled. And this means control of profits, the one thing omitted by Mr. Green in his more work, more wages, more buying, more producing idea.

If such a program were taken to Du Pont, Ford, Morgan,etc., they would answer that if they were told how much to produce, how much to pay labor, how much to charge, and what to do with profits,there would be no room for individual initiative. After all, that is a fair picture of Soviet Russia, and American business will not meekly surrender to socialism.

J. B. S.

"The A. F. of L. Inches Left" - A. J. Muste
The New Republic. October 31. 1700 words.

The A.F.of L. has decided, under pressure, to charter vertical unions. Although many still wish for the small craft unions of skilled workers, the pressure of the unorganized workers has forced the issue. It is certain that if not admitted to the A.F. of L. they will form strong independent unions under radical leadership,or go into the camp of the Company Unions.Either would spell defeat for the A. F. of L. bureaucrats.

What is now needed is a militant left wing movement. This may develop within the next year.

J. B. S.

"Higher Prices for Farmers are Expected"
Baltimore Sun. November 6. 1100 words.

Consumers' income was augmented by some $3,700,000,000 in federal funds this year. Of this, some $1,750,000,000 was put into circulation during the first half of 1934, while approximately $1,950,000,000 is being spent during the last six months. These totals cover disbursements of the C.W.A.,the F.E.R.A.,the Federal Surplus Relief Corporation, the P.W.A., and the C.C.C.

These figures were made public at a recent series of conferences between the Bureau of Agricultural Economics, officials of the A.A.A., and economists of forty states. A prediction was made that the first half of 1935 will see a rise in farm income which may be maintained the entire year should the durable goods industries stage a comeback. The basis of this forecast is the greatly reduced surpluses of many agricultural products and increased consumer purchasing power. Officials look for no help from foreign markets, expecting exports of farm products in 1935 to be even less than they were this year.

Improvement was also noted in the incomes of industrial workers. Basing the average on wages of 1924 to 1929 as 100%, it was noted that income of industrial workers the first quarter of 1933 stood at 39% and rose to 55% by September, receded to 51% in December, increased to 63% in May of this year,and since then has remained above last year's high point of 55%.Over the same period farm income has increased by approximately 19%. This improvement is partly due to the refinancing programs of the F.E.R.A. and the H.O.L.C. By aiding in the consolidation of a large volume of indebtedness into long term obligations requiring smaller annual payments of interest and curtailment of principle,a larger proportion of the borrowers' income has become available for current purchases.

Trade trends and regulations expected to hinder export negotiations next year, as they have done this year, include: (1) "growth of economic nationalism,(2)development of national agreements between countries closely associated economically and politically, (3) disposition on the part of some countries to increase their barriers in anticipation of future tariff bargaining programs."

Another obstacle in the path of international trade is the condition of foreign exchanges.It appears that there is less demand for American Goods in countries such as France and China, where currencies have not been devalued,than in countries such as Great Britian, Canada, and Japan, where monetary values have been deflated.

M. H.

"Lapland: Utopia of Welfare for the Worker" - Henry Albert Phillips
Literary Digest. October 27. 1000 words.

"Lapland has neither a political nor a geographical unity. It is simply the collective name for the extensive region in the

north of Europe inhabited by Lapps. The total Lapp population, as given by the New Standard Encyclopedia is more than 31,000 thus distributed: 20,000 in Norway, 7,000 in Sweden, nearly 1,200 in Finland, and 3,000 in Russia."

Kiruna, the workman's paradise, is a town of iron. It lies part way up a mountain of iron, with a second mountain of iron shadowing it from across the river. The richest ore in the world --90%-- is at hand on the surface, so miners simply blow off the heads of the mountains bit by bit--6,000,000 tons a year.

"This metallic phenomenon has transformed the whole of Lapland into a widespread Klondike. Its great wealth has built up not only a modern town of 10,000 inhabitants north of the Arctic Circle, but also an electrified railway with all luxuries of modern first-class travel, traversing more than a thousand miles through an erstwhile wilderness."

Kiruna has been under the control of the Communists for years. During the latest local election they were ousted from political control by the other parties.

The homes of the miners of Kiruna are comparable to those of the highest paid skilled workers in America. Electricity is used in every home for lighting, and in some it is even used for cooking and supplementary heating. Telephones and radios are found in many homes, and there is every evidence that the miners spend their money freely for all those things which, in most other European countries, are considered luxuries.

All this is not so surprising when one learns that workmen who sharpened the drills in good times earned never less than $75 a week, and that $30, $40, and $50 a week are not uncommon wages nowadays. Although there are now more than 1,000 unemployed miners in Kiruna, they are enjoying the benefits of a minimum wage.

"So there in Kiruna, bound in a vise of iron, sealed up--save for the radio-voice--for ten months of the year in snow, ice, and eighteen hours of darkness each day, amidst zero cold, the author found the outstanding example of a worker's paradise such as all the world of Socialism is striving to attain."

M. E. S.

"Education in the Recovery Program" - (Reprint #1 from School Life)
Office of Education, United States Department of the Interior.
24 pp. 10¢

The "Emergency Educational Program" is the term used to cover the authorizations by Harry L. Hopkins for the use of federal relief funds for educational activities. The following are the authorizations made to date:

1. To pay work relief wages to needy unemployed teachers, or persons competent to teach, and to assign them to classes in

elementary or secondary schools in those rural counties which are suffering from lack of funds.

2. To pay similar wages to needy unemployed persons competent to teach adults unable to read and write English. This work is to be guided by the state departments of education working with smaller units of the state systems.

3. To use F.E.R.A. funds for employment of needy unemployed persons on relief qualified to teach or render service in the following groups: (a) Unemployed adults in need of vocational training or adjustment to make them employable. (b) Unemployed adults who are physically handicapped. (c) Unemployed and other adults in need of further general educational opportunities to help them take their places as self-supporting citizens.

4. To institute a program of child feeding, limited to one meal per day, in schools for children of families on relief who show malnutrition.

5. To provide work relief wages for qualified unemployed teachers and other workers who are needed to organize and conduct nursery schools.

6. To allow a sum, not to exceed 5% of the education allotment of any state, for teaching supplies in communities which cannot provide them for classes set up by the emergency program.

7. To make relief funds available to college students working part time, allowing from $10 to $25 per calendar month for full time students in need of aid.

T. L. P.

"Can Education Share in Social Reconstruction?" - John Dewey
The Social Frontier. October. 1600 words.

People will no doubt say that the schools are educating for something called the "status quo." The fallacy is evident, since there is no "status quo" unless it be expressed, as Andy explained to Amos, as "the mess we are in."

The alleged "status quo" refers to "rugged individualism" under which we are supposed to have a free economic society where each individual has an equal chance to show his initiative under a legal and political order designed to further this equal liberty of individuals. This is a myth since economic freedom is practically non-existent for large masses of the population and "the legally constituted order has supported the ideal of 'beati possidentes.'"

The schools have been put into the keeping of the alleged "status quo" as evinced in different states by compulsory patriotic rites; compulsory reading of the Protestant Bible contrary to the provision for the separation of church and state; compulsory routine teaching of the Constitution; making a crime of the

teaching of evolution; special oaths of loyalty not required of other public servants; loyalty oaths required of students as a condition of graduation; history textbooks revised to conform to prejudice; restriction on teachers' unions affiliated with the labor movement; laws protecting tenure emasculated; compulsory military training in high school and college. "The list of interferences with genuine educational freedom that has been cited is itself a sign of an effort, and often a conscious one, to stem a tide that is running in the opposite direction, that is, toward a collectivism that is hostile to the idea of unrestricted action on the part of those individuals who are possessed of economic and political power because of control of capital."

Many teachers and administrators say they must conform to "fixed conditions." This is only partially true since there ~~really~~ are no "fixed conditions" in the present social flux. The educator is constantly forced to make his own choice, but too often makes it in accommodation to immediate pressure or egoistic ambitions. If he makes his choice on the side of social control of economic and political capitalism, there will scarcely be a moment of the day when he will not have to decide details of management, discipline, methods of teaching, selection and emphasis of subject matter. If he is in favor of the forces which wish to develop a social order for all members of the community, he must carry over this purpose into the details of administration, instruction, and subject matter.

"Abuses cannot be corrected by merely negative means; they can be eliminated only by substitution of just and humane conditions. Laying the basis, intellectual and moral, for a new social order is . . . an ideal to arouse a new spirit in the teaching profession and to give direction to radically changed effort."

T. L. P.

EXCERPTS FROM THE NEWS

A study of local code administration problems will be undertaken by the N.R.A. in the following cities: Baltimore, Dallas, Birmingham, Atlanta, Nashville, New Orleans, Milwaukee, Des Moines, Omaha, Chicago, Cleveland, Providence, Concord, Buffalo, and Pittsburgh. The object of the survey is "to coordinate and effect economies in local administration of codes and to eliminate the multiple code assessment problems."

(- Baltimore Sun, November 6)

Total number of persons at work in September was 39,367,000 as compared with 39,764,000 in September, 1933, according to William Green. He also states that the normal increase in population the past twelve months has added nearly 450,000 persons to the ranks of job seekers. This figure is partly responsible for raising the number of jobless from 10,108,000 in September, 1933, to 10,951,000 in September of this year.

(- A. F. of L. Bulletin, October 29)

An increase in Detroit's relief load is noted for the period since May,1934. That city's standard relief budget for a family of four allows $7 weekly for food, $2.50 for rent, $.85 for gas and electricity, and $1.85 for clothing. During the winter, $1.65 for fuel is added to this amount.

(- Midmonthly Survey, October)

A vote of Yale undergraduates on present political policies and conditions showed that 547 students approve the existing methods of Government while 1,066 disapprove of them. On the question of Government interference in business, 501 voted approval, 1,075 were against it; but as to the Government's participation in the utility field, 1,122 answered in the affirmative and 445 in the negative. Yale men were also asked if their individual conditions and those of their families had improved since the present administration took office. Some 225 replied they had improved, 706 stated they were worse off than before, and 656 answered there had been no change.

(- New York Times, October 31)

Transients listed by the Federal Transient Bureau on October 15 numbered 3,353 single women, and 24,044 families composed of a total of 84,624 persons.

(- Baltimore Sun, November 11)

The A. F. of L. wants the automobile code revised in the following respect: (1) a basic 30-hour instead of a 42-hour week, (2) a representative of labor on the code authority, (3) an increase in pay, (4) stabilization of employment by cutting down or eliminating the 48-hour maximum allowed for limited production. To gain these ends, the Federation has asked for a public hearing on the code. It also seeks labor representation on all code authorities.

(- United States News, October 29)

The number of unemployables in the ranks of the idle is 3,000,000 according to latest estimates.

(- United States News, November 5)

Processing taxes are constitutional according to a decision handed down to receivers for a textile company by Judge Elisha H. Brewster. This company had been ordered to pay $80,592 in cotton-processing taxes and took the matter to court. To date, some $500,000,000 in these taxes have been collected.
(- United States News, October 29)

Federal executive employees have increased 20% since March 1, 1933. At that time there were 563,000, while there are now 678,237. The H.O.L.C. has 20,000 on its payrolls, the executive staff of the Relief Administration employs 386 persons, the P.W.A. boasts an executive staff of 4,000, and the Federal Housing Administration has a staff of 1,000.
(- United States News, November 5)

C.C.C. camps maintained this winter will number 1,728, the same number in operation the latter part of the third period which ended September 30.
(- United States News, November 5)

A 50% increase in November relief allotments for this year as compared with last year is announced by Harry L. Hopkins, the figure being $135,812,954. September relief rolls and costs differed but slightly from those of August. It was also stated that up to October 31, the R.F.C. had authorized industrial loans totaling $20,000,000, of which $3,300,000 has been distributed.
(- United States News, November 5)

Unemployment relief and taxation to handle it will be the paramount problem of 43 states whose legislatures meet in January. It is expected that many states will employ sales and income taxes and divert gasoline revenue to raise relief funds. State legislation programs also include such matters as employees' insurance, limitation of working hours, and collective bargaining between workers and employers. (- United States News, November 5)

The migration of jobless to California is increasing in alarming proportions and adding greatly to that state's relief problem. There were 182,067 such entrants in June, 252,882 in July, 251,835 in August, and 206,636 in September. Some of these were classed as tourists, but the dilapidated condition of the automobiles in which they arrived indicated that many of them would be unable to leave the state. Upton Sinclair's E.P.I.C. platform was the reason given by the majority when they were asked what attracted them to California.
(- United States News, November 5)

An increase in applicants for teachers' jobs is noted in New York City, where teaching license examinations, suspended for three years, have recently been resumed. For some types of positions, the increase is as high as 300% compared with figures for normal times, despite the fact that applicants must pay examination fees of varying size. Announcement of the first examinations to be resumed attracted 1,290 applicants, where heretofore it would have brought about 400.
(- New York Times, November 11)

Health promotion in rural areas will be aided to the extent of $1,000,000, which the F.E.R.A. has allotted to the Public Health Service for this type of work. Less than 25% of the people living in these districts now receive the benefit of full-time health service. The establishment of many county or district health units is planned, hinging, however, on the state or local authorities' ability to match at least 59% of the federal appropriations. The effect of the depression on county health units resulted in a decrease of such agencies from 616 in 1932 to 550 at the present time.

(- United States News, November 5)

R.F.C. disbursements in October topped the sum received in loan repayments by $17,000,000. This reduces the margin of receipts for the present fiscal year to $125,000,000. (- Baltimore Sun, November 3)

Changes in the A.A.A. program are being advocated by Oscar Johnston, manager of the A.A.A. cotton pool. He seeks repeal of the Bankhead Cotton Control Act, which Southern growers demanded of Congress last year but which they now want eliminated or drastically changed. Mr. Johnston recommends as a substitute the passing of a law which would prohibit the movement of cotton and its products in interstate commerce except when it has been produced in accordance with provisions of a crop control program promulgated by the Secretary of Agriculture and approved by two thirds of the producers. The regulation he wants abolished is that which imposes a tax of 5$\frac{1}{2}$¢ per lint pound on all cotton sold from this year's crop in excess of 10,469,251 bales. Among changes he advocates in the present crop-reduction plan are: (1) that the rental payment for land taken out of production, which now averages about $6 an acre, be lowered to $4.50 per acre;(2) that parity payments on crops grown be increased from 1¢ to 3¢ per pound.

(- Baltimore Sun, November 3)

A suggested A.A.A. plan for 1935 would further reduce the past average of 41,000,000 acres of cotton by 25%, with a corresponding increase in payments to cooperating farmers. Negotiations are now under way for a deal with Germany which would involve the exchange of about 500,000 bales of cotton for German goods. The great decrease in shipment of cotton to that country accounts for a large part of the decline in cotton exports and is one reason why the A.A.A. feels it imperative that production be further curtailed.

(- Philadelphia Record, November 9)

Industrial and business improvement is expected to occur early in 1935, according to the Standard Statistics Company. The bases for this prediction are: increased activity in consumer lines. due to expansion of public buying power; greater employment; higher wage rates; larger dividend and interest payments; a slight industrial upturn;and a farm income higher than any since 1930. The total farm returns for 1934 will be $8,019,000.000, an estimated $1,763,000,000, or 28.3% higher than last year's, which was $6,256,000,000.

(- Philadelphia Evening Bulletin, October 29 and 30)

The Committee for Economic Recovery is the name of a new organization which will open headquarters at 730 Fifth Avenue, New York City. The aim of this new and independent group, at present composed of 50 members, will be to conduct detailed studies of economic problems dealing with business and finance and to forward the findings to government officials. It will also seek to promote better relations and cooperation between government and business. This work will be carried on with voluntary contributions from the various members. Branches or sub-committees will be organized in other cities. Such divisions are already being launched in Philadelphia, Boston, and Cleveland. One of the first subjects this group will tackle is the unemployment situation and its relation to the unemployment of capital. Allie S. Freed, president of Paramount Motors Corporation, is chairman of the executive committee (- New York Times, November 6)

An increase in foreign trade for this country is recorded for the first nine months of this year. At the end of September, exports had totaled $1,561,365,597 as compared with $1,105,030,155 the same month in 1933. Imports reached $1,241,732,242 against $1,036,632,489 for the corresponding period last year. (- Baltimore Sun, November 6)

Group insurance of a voluntary nature, representing cooperation between employers and insurance underwriters, has reached the state where today $8,912,000,000 in insurance policies protect families of approximately 5,000,000 employees. Some 505,000 workers are protected against accidental death or incapacitation to the extent of $744,000,000 in policies; 1,125,000 are insured against sickness and accident by $16,000,000 pledged in weekly benefit contracts; and nearly 200,000 workers are assured of an income after retirement through group annuity policies totaling $8,000,000. The average life insurance protection is $1,828 per worker; the average accidental death or mutilation insurance is $1,473 per person; while in group annuity plans a worker receives an average income of $43.53 a month after retirement. Some 1,229,000 employees are covered by group accident and health insurance which entitles each participator to an average of $13 weekly when sick or otherwise disabled. (- New York Times, November 8)

The Government's land-retirement scheme is now under way in 150 communities and affects all but eight states. A sum of $25,000,000 has been set aside to finance this program, which may ultimately lead to the acquisition of 50,000,000 acres. It is estimated that by the end of the year, 5,000,000 acres will have been acquired, 1,000,000 of which are already under option at $5 an acre. State relief organizations are handling this work, - buying the land, building houses, and resettling the tenants. A.A.A. officials emphasize the fact that this retiring of land will in no way affect the potential agricultural surplus, as such regions are not producing enough to add to commercial supplies of basic commodities. It is expected that this undertaking will materially lessen the tax-burdens in regions which, though poor and sparsely settled, must contribute to the upkeep of roads, schools, and other services, some of which may be abandoned, if conditions warrant. (- New York Times, November 7)

"IN MY OPINION"...

"I see a large and growing class of our citizens being trained to the belief that they should produce as little as possible, work as little as possible, receive constantly increasing compensation, and spend lavishly-- all on the theory that the Government owes them a living whether they work or are idle." (Frank L. Chase, chairman of the Natural Gas Department, American Gas Association)

"Economic insecurity is stampeding thousands of Americans into the support of economic lunacies and false panaceas." (From a statement made by the American Association for Social Security, attacking the Townsend old-age pension plan)

"A political government which enters actively into the economic field without basic principles and without enlisting the whole-hearted support of the banking and business community, naturally makes it impossible for anyone to appraise the risks involved in the most ordinary business transaction." (James P. Warburg, banker and former New Deal adviser)

"If the Government and the banks continue in the roll of antagonists, it will involve the gravest consequence to our country, and perhaps, even the destruction of many institutions and principles we have long held dear." (Jackson E. Reynolds, president, First National Bank, New York City)

"Most bankers know that idle dollars mean idle men. . . We sometimes hear bankers say that they do not want to lend because they do not know with what kind of money they will be paid. I wonder if they expect the dollar in the vault to be any better than the dollar at interest." (Jesse H. Jones, chairman of the R.F.C., in article in November Sphere)

"It is my thought that if our international relations are properly adjusted, the problems confronting the cotton producers will be solved and further government action will be unnecessary. If no such adjustment is had, further government aid to the cotton industries will be necessary." (Oscar Johnston, manager of the A.A.A. Cotton Pool)

"The Federal Government denies the Tennessee Valley Authority is subject to State control, which means that, regardless of the desire of the citizens of any community or State, and in violation of State laws, the T.V.A. can build plants and furnish service at whatever prices it chooses to charge-- it can crush out its competitors and destroy millions of dollars of private capital." (H. O. Caster, president of the American Gas Association)

ANNOUNCEMENTS OF NEW BOOKS

New Federal Organizations by Laurence F. Schmeckebier. Brookings Institution, Washington, D.C. $1.50

The New Deal bureaus and organizations,-- their structure and functions.

An Outline of the New Deal Administration by Kingman Brewster. Published by the Author, Southern Building, Fifteenth & H Sts., N.W., Washington, D.C.

An explanation of the agencies which administer the laws of the New Deal.

Codes, Cartels, National Planning by Bruno Burn. McGraw-Hill Book Co. 413 pp. $4.00

A book on business cooperation,- its problems, and its effect on economic stability.

Public Addresses of Franklin D. Roosevelt compiled by M. W. Hunt. DeVoss & Co., 943 S. Grand Ave., Los Angeles. 164 pp. $1.50

A collection of addresses delivered by the President from July, 1932, to March, 1934, portraying the progress toward recovery.

NRA Primer compiled by the Ohio State Compliance Director of the N.R.A. U. S. Government Printing Office, Superintendent of Documents. Pamphlet. 5 pp. 5¢

A booklet, written in simple language, describing the functions of the N.R.A. and answering questions of interest to every American citizen.

Economic Planning and the Tariff by James Gerald Smith. Princeton University Press. $3.00

An essay on social philosophy.

Unemployment and Relief by Robert G. Elbert. Farrar & Rinehart. $1.00

New views on economics.

Business and Government by Charles C. Rohlfing, Edward W. Carter, Bradford W. West, & John G. Hervey. The Foundation Press, Chicago, Ill.

Relations between government and its citizens from the economic viewpoint.

Index to F.E.R.A. Bulletins. Federal Emergency Relief Administration, Publishing Division. Pamphlet. 27 pp.

Covering bulletins issued from May 31, 1933 to September 15, 1934.

R.F.C. Quarterly Report to Congress. U. S. Government Printing Office, Superintendent of Documents. Pamphlet. 58 pp.

Covering this bureau's operations and expenses from April 1 to June 30, 1934, and from February 2, 1932, to June 30, 1934.

Temporary Emergency Relief Administration. Temporary Emergency Relief Administration, 79 Madison Ave., New York City. 135 pp.

Covering New York relief activities, - city, county, and state, - from November 1, 1931, to December 31, 1933.

America Can't Have Housing edited by Carol Aronovici. The Museum of Modern Art for the Committee on the Housing Exhibition, New York City.

Sixteen American and European experts present articles on this country's housing problems.

First Aid for the Ailing House by Roger B. Whitman. Whittlesey House, McGraw-Hill Book Co. 320 pp. $2.00

A book for housing students as well as householders.

Farmers, Where Are We Going? by George A. Nelson. Socialist Party of America, 459 Randolph St., Chicago. Pamphlet. 5¢ (10¢ by mail)

Asking the farmers to organize.

Dynamic Social Research by John J. Hader and Edward C. Lindeman. International Library of Psychology, Philosophy and Scientific Method. Harcourt Brace & Co., New York. 241 pages. $3.50

A book pointing out the advantages of social work, based on research and fact finding.

Case Workers. Office of Education, Vocational Bulletin No. 175. Pamphlet. 69 pages. 10¢

A manual for those engaged in vocational rehabilitation and other forms of social service work.

Reflections on the End of an Era by Reinhold Nieubuhr. Charles Scribner's Sons. 302 pp. $2.00

A critic of capitalism and all it stands for offers the outlines of a new and radical political and economic program.

American Recovery Problem by members of the Brain Trust and others. Oxford University Press, New York. 253 pages. $2.00

A collection of nine addresses delivered at Swarthmore College by the original "brain trusters."

Vocational Interest Scales by I. R. Berman and others. University of Minnesota, Employment Stabilization Research Institute. (Vol. 3, No. 5) 35 pp. 50¢

An analysis of three questionnaires regarding occupational classification and employment status.

How Far . . . Can We Go? by Lee Hager. Published by the Author, Esperson Bldg., Houston, Texas. Pamphlet.

An article dealing with the necessity of a planned economy.

The Utopians Are Coming by Hanson Hathway. The Cloister Press, 1608 Cahuenga Boulevard, Hollywood, Calif. Pamphlet. 50¢

America is presented with a new economic and social plan.

Women at Work: A Century of Industrial Change. Women's Bureau, U. S. Printing Office, Superintendent of Documents. (Bulletin No. 115) 60 pp. 10¢

Employed and Unemployed Workers:Differential Factors in Unemployment Status by J. G. Darley and D. G. Paterson. University of Minnesota, Employment Stabilization Research Institute. (Vol. 3, No. 6) 26 pp. 50¢

Research Studies in Individual Diagnosis edited by D. G. Paterson. University of Minnesota, Employment Stabilization Research Institute. (Vol. 3, No. 4) 52 pp. 75¢

A Job Analysis of Manufacturing Plants in Minnesota by C. A. Koepke. University of Minnesota, Employment Stabilization Research Institute. (Vol. 2, No. 8) 49 pp. 50¢

Outline of the New Deal Legislation of 1933-1934 by Howard S. Piquet. McGraw-Hill Book Co. Pamphlet. $1.00

Twenty Million Dollars Every Day. A Plan for National Recovery by Otto Cullman. Privately printed by the Author, 1344-54 Atgeld St., Chicago. 67 pp.

VOLUME I NUMBER 10

THE UNEMPLOYMENT RELIEF DIGEST

A Semi-Monthly Bulletin Presenting in Compact Form the Substance of Recently Published Material Concerning Unemployment and the Administration of Relief

STATE EMERGENCY RELIEF BOARD
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ARTICLES

"Unemployment Compensation Again Brought To The Fore"- Sam A. Lewisohn*
New York Times. November 18. 2400 words.

President Roosevelt's recent address to the Advisory Council of the National Conference on Economic Security, advocating unemployment insurance, brings this issue sharply to the fore.

Mr. Lewisohn, in this article, frankly admits that unemployment compensation has certain obvious disadvantages difficult to explain away. Even enthusiasts are perplexed about how to avoid decreasing the "mobility of labor." They fear that a man thrown out of a job because of a change of style or technical method will lose the incentive to "hustle" for a job in another industry. The author feels, however, that in unemployment under modern depression conditions we are faced with a situation of such dimensions that it is inevitable that the Government must assume the burden of preventing starvation, which neither our social conscience nor our social fears will permit; and Government relief means complications political and fiscal that outweigh the complications of unemployment insurance.

Foreign experience proves that unemployment insurance is only part of the whole solution, and that provision must be made for those who exhaust their right to benefits. Insurance is only the first of three major parts. A second part is called "emergency grants" or some other euphonious name, and is not part of the insurance plan. The third part is called definitely "relief," and it is the final charitable contribution to unemployment.

Mr. Lewisohn notes the following important considerations underlying employment compensation:

(1) Any misgivings that we may have had as to the dangers of unemployment insurance are more than counterbalanced by the advantages of not having the whole relief problem dumped into the lap of government;

(2) It is essential that as far as possible the unemployment funds be not frittered away during periods of prosperity, but be preserved for hard times;

(3) Some provision must be made in an orderly fashion for taking care of workers through government relief funds if and when the "insurance" funds are exhausted.

Certainly every citizen should take an interest in and study unemployment insurance at this time. It is particularly important that social workers and public officials be well informed on the subject as it will surely affect relief, political and fiscal problems.

S. M. G.

"Sound Unemployment Protection" - H. W. Story
Nation's Business. October. 2500 words.

This article is sound discussion of unemployment insurance systems. The European system seems to concentrate on adequate benefits. The American plan concentrates on the preventive idea by creating reserves for the individual. This makes for consideration of the general welfare of the community and gets away from the attitude of "the anti-conservationist who exclaimed, 'What has posterity ever done for me?" The American plan helps the worker to think constructively of what he may do for posterity. It forces the employer to check "seasonal trends" of production which are harmful to all. Degeneration into a state financed dole, as in England, is to be avoided by leaving out the state as part of the bargain. Only experimental legislation is possible until a scheme is found to be socially desirable as well as economically on an actuarial basis.

A. S. H.

"Security Conferees Stress Merits of Taxing Payrolls"
Christian Science Monitor. November 17. 600 words.

Had unemployment insurance in the form of a 4% payroll tax been imposed between 1923 and 1926, it would have provided a reserve of $10,000,000,000, which at 5% would mean today $1,000,000 the first year. The advantages of such a tax would have been twofold, declares Frank P. Graham, chairman of the Advisory Council of Social Security, - first, it would have "acted as a brake on inflated business advances in the years leading up to 1929; second, after the crash it would have sustained national purchasing power until times were better."

The slump affected this country's index of employment far more than that of any other country. Our physical volume of production fell to 51.3% as compared with England's drop to 84%, France's drop to 67%, and Germany's drop to 57%. (In these tabulations, 1929 is taken as 100%).

In England, huge reserve funds in the form of unemployment, health, and old-age insurance schemes have kept intact wage rates and purchasing power, whereas this country's policy has been to finance relief at the expense of the taxpayers rather than to have a large part of the burden carried by industry and labor. However, the advisability and feasibility of copying the British scheme in the United States is questioned in view of the fact that it might require a fundamental reform in civil service. The division of this country into states also presents obstacles not to be found in England.

M. H.

"Unemployment Relief Methods in Germany"
Monthly Labor Review. October. 2000 words.

Observing an unprecedented crisis in employment approaching, Germany sought various methods of administering relief. At first the problem was met by the Federal Unemployment Relief Office. The necessary funds were obtained by exacting equal contributions from employer and employee, the difference being advanced by the Federal Government. Relief was assured for a limited time only, and for those persons who passed a "needs" text. As time elapsed, a greater need was seen for persons whose claim to this sort of relief had become exhausted. In order to alleviate the increasing burden, emergency relief was introduced in 1926 as a temporary measure, and the rising tide of unemployment caused it to be maintained. Four fifths of the funds to finance emergency relief were supplied by the Federal Government and one fifth by the local governments.

However, this measure, appearing inadequate, was converted into a new unemployment insurance system on Oct. 1, 1927. The funds were raised by equal contributions from employer and employee. At first the rate was fixed at 3% of wages but as unemployment increased the rate advanced to 6.5%. General rules stiffened, benefits were reduced, and the period of support was shortened from 26 to 20 weeks. The object was to build a large reserve during business prosperity so that, in time of business depression, claims could be met out of this fund.

The unemployment insurance system bears the chief burden in supporting the unemployed individual for the average unemployment period. In case of long-continued individual unemployment, the relief burden is borne to a preponderating degree by the emergency relief and finally as a last resort by welfare relief.

The number of persons supported by insurance benefits was considerably less during 1931 to 1933 than the number supported by emergency relief and welfare relief which rose very high. In 1932 more persons were supported by welfare relief than by insurance benefits and emergency relief together.

Expenditures for benefits and relief reached the high point of $800,000 in 1931, while the total income of the workers amounted to $8,300,000. This showed that a sum equal to about one tenth of the income of all workers was paid as support for the unemployed. Since 1929, contributions have not been sufficient to cover benefits payable under the insurance scheme and the National Government, therefore, had to lend to the fund continuously. The loans reached such proportions, and the possibility of repayment seemed so slight, that they were canceled.

The "Tax for Unemployment Relief" was instituted in July, 1932 and was levied on all employed persons.

A new method of handling relief developed in 1932 and 1933

when employment-creation was substituted for unemployment relief. Under this new method unemployment was reduced from 5,200,000 in March, 1932 and over 4,500,000 in March 1933 to about 2,100,000 in March 1934. As a result, the Federal Bureau for Employment Exchange and Unemployment Insurance has for some time required no subsidies from the National Government and has been able to advance, from its own income, sums for the financing of emergency work projects. In view of this, the Federal Bureau will be in a position to counteract the seasonal increase of unemployment during the autumn and winter of the current fiscal year by contributing several hundred million marks for emergency work projects.

W. F.

"Some Facts on the Relation between Housing and Health" - Rollo H. Britten. Public Health Report of the U.S. Public Health Service, November 2. 4000 words.

The author summarizes his article as follows: "In the light of the recognized excess of sickness and mortality in slum areas, an attempt has been made to trace the specific directions in which poor housing effects health. They are many, and include impure water supply, insanitary toilets, lack of private toilets, lack of sewer connections, overcrowding, lack of light, lack of ventilation, dilapidation, and others. The occurrence of these conditions in slum areas and the consequent effect on the inhabitants are discussed. These facts, together with European data showing a reduction in mortality associated with rehousing projects, indicate that poor housing is a public-health as well as a sociological problem and therefore one of immediate concern to health authorities."

The article is in line with many in this field which try to prove a causal connection between poor housing and poor health. He has made a reasonably good summary of some of the newer facts in regard to sickness and mortality in slum areas.

The analysis, as in usual in ones of this type, completely ignores low wages, instability of income etc., as important factors. Housing may be a factor, but poverty is probably at least as important.

A. F.

"Britain Solves Her Housing Problem" - Herbert N. Casson Nation's Business. October. 2100 words.

Great Britain is building houses at the rate of a thousand a day. She is experiencing the greatest building boom in her history. In the first half of the coming year, approved building plans call for an expenditure of $175,000,000. Of this amount 78.5% will be spent for dwelling houses.

These houses will be good houses. Practically all of them will be built with brick. There is a law in Britain prohibiting wooden houses in incorporated communities. They are regarded as too cold, too perishable, and too liable to fire hazard.

The price of one of these houses will be $3000--a down payment of $300, and $3.60 a week. These terms include all legal and mortgage costs, road charges, and survey fees. The builder will make a profit of about $500.

Britain has solved an housing problem by cooperation between the speculative builders and the Building Societies. The builders design and build the houses. They engage staffs of salesmen. They advertise in the daily press. The Building Societies take over the contracts, pay cash to the builders, and allow the house-buyers to pay on the installment plan. This system suits everyone concerned. The citizen gets his home, the builder gets his money, and the Building Society gets from 6% to 7% interest.

A British Building Society is a sort of a combination savings bank and mortgage trust. It offers from 4% to 5% for money which it then lends to home purchasers on mortgages. It will loan as much as nine tenths of the price. It is an entirely private institution.

A. T., Jr.

"Heading up the Housing Program" - Loula D. Lasker
Mid-Monthly Survey. November. 2000 words.

The findings of the International Commission on American Housing were discussed at a conference of the National Association of Housing Officials held in Baltimore in October. The recommendations of this Commission, based upon the adapting to American conditions of actual housing experience of European countries, covered the following six points.

(1) Responsibility for securing adequate housing for the low income groups; (2) the respective places in a public housing program which should be assigned to federal, state, and local authorities; (3) the elements of a sound financial scheme; (4) distribution and location in relation to city and regional plans, layout of sites, type of design and construction of dwellings, and the factors determining and limiting the use of each; (5) skilled management as an essential element in any solution of the problem; (6) the interdependence of all.

The conference agreed that a definite program must be pushed in the low cost housing field - both to supply the need of tenants and to furnish work for the unemployed in the construction industry. It was also agreed that slum clearance and low-cost housing are not identical, and that public housing must be handled not only as an emergency measure to promote recovery but also as a permanent part of public administration.

The proposed public housing program should include projects built by government funds granted directly and also by private groups through the use of low cost public credit.

According to the conference, the problem of initial losses in tearing down obsolete buildings should be handled on the English plan whereby the owner receives no remuneration for unfit buildings and is paid only for the land on the basis of its worth for housing use. Legislation to this end is proposed, but in the meantime such losses must be absorbed by the project.

The conference also agreed that the type of construction should be of such nature that maximum value will be maintained through the period of amortization. It was also pointed out by the members of the International Commission that the success or failure of low-cost housing depends upon proper management, which for government-aided projects on social and economic betterment programs cannot be the same as for commercial properties developed for sale and profit.

A week after the program was adopted by the National Association of Housing Officials, Secretary Ickes intimated that one and one-half to two billion dollars may be asked of Congress for slum clearance and low-cost housing.

H. G. M.

"Powerful Combines May Be Launched to Push Recovery"
Christian Science Monitor. November 15. 600 words.

Private initiative may assume the responsibility for the Government's new housing and public works programs should a group of powerful financiers and industrialists succeed in forming giant corporations for this purpose.

The interested parties have already discussed the plan with Donald Richberg,who said: "It must be done by great corporations, amply financed and using the methods of mass production. There must be mass purchases of materials that insure reasonable costs, mass employment of men and machinery to insure maximum efficiency, and mass financing to provide easy terms for the buyers." It is understood he has already approved the general proposals, and backers are now engaged in securing the aid of industries and banks.

"Each corporation,according to the scheme, would be able to finance, build and sell, or operate at low cost, various types of public works or low cost housing projects. Each cooperative setup would therefore include bankers, durable goods manufacturers, builders and operators, or salesmen." It is inferred that the Government will hold its public works and housing programs in abeyance until the first of January, in order that these private interests may have a chance to demonstrate their worth and practicability.

However, the Administration is prepared at any moment to launch its extensive new plans for public construction work far exceeding past programs of this type. They call for an increase of 33-1/3% in emergency expenditures and a four-point public works program formulated by Secretary Ickes. The very magnitude of this Government program is said to have caused private interests to prefer financing it themselves.

Mr. Ickes' program consists of: "(1) nation-wide activity in rural electrification and grade crossing elimination, a vast amount of which could be completed in from three to four months after authorization; (2) a transcontinental highway consisting of a four-lane road, avoiding cities, unobstructed by grade crossings and its beauty protected by government owned right-of-way on every side; (3) an extensive housing improvement program; (4) conservation of soil and water resources through flood, drought and erosion control and reforestation."

M. H.

"Central Bank is Essential to Recovery" - Luther Harr
Sphere. November. 1800 words.

The framers of the Federal Reserve Act could not possibly anticipate the World War and the disastrous economic conditions which have existed as an aftermath. Therefore, one should not blame the framers of the Act or the agencies which they created for failing to meet successfully the problems brought about by the kaleidoscopic economic developments of the past twenty years.

Rather, criticism should be leveled at those who resist making the overhauling of the banking system which is necessary to meet the changed conditions. It should be apparent to any thoughtful person that proposed changes in our banking organization are essential if it is expected properly to meet rapidly changing economic situations. A peace-time army organization is not capable of successfully carrying out operations after the declaration of warfare. It must be expanded and changed considerably. Likewise, a banking system that operates satisfactorily in normal times cannot and will not operate successfully unless drastic changes are made in times of great stress such as this country is passing through today. It is recognized that the banking system of this country is not functioning either to the satisfaction of the bankers or to the fulfillment of the purpose of its existence.

It should have been evident at the outset of President Roosevelt's Administration that the most important problems facing it in its efforts to combat the depression were concerned with the monetary and banking systems. The failure of thousands of banks, together with the fear engendered by the banking crisis, froze up billions of dollars of bank-check currency, intensified the deflation, and accelerated the fall in prices.

President Roosevelt has recognized publicly the need for a more stable price level. That implies a currency which will possess a stability of purchasing power. Recognizing the importance of bank-check currency as this country's major medium of exchange, it is clear that stabilization of currency can be achieved only by the exercise of a considerable amount of control over the institutions supplying that medium of exchange. This does not imply Government ownership of commercial banking institutions, but it does mean that some central body independent of the control of the banks must be created to determine the country's banking policies and put into operation the necessary effective measures for carrying them out.

A recent speech of Mr. James P. Warburg, who certainly cannot be classified as other than conservative, emphasizes the difficult position in which American banking finds itself today. He states: "If the private banking system is to survive, it is essential that our banking laws be thoroughly overhauled and brought into conformity with the requirements of present-day economic life." In the necessary overhauling the commercial bankers certainly should be the most interested in the creation of a Government-controlled central bank which will act as a reservoir of credit, which will prevent bank failures, which will provide the Government with adequate funds to carry on the fight for economic recovery, and which will pave the way for the stabilization of the dollar. A central bank is essential to control both deflation and inflation.

Today the country is facing a situation more serious than that faced during the World War. The question is: Can its banking system survive without a central bank? In the author's opinion, the answer is emphatically NO.

A real central bank of issue, acting as the fiscal agent for the Government, would allow the Treasury Department to discount its promissory notes direct, without the need for going through the expense of private financing. This is of great importance at a critical time like the present, when the Government must not only finance its routine departmental operations, but has the additional burden of financing many of the corporations of this country as well as advancing funds for P.W.A. and C.W.A. enterprises.

It is to the interest of the bankers themselves that the Government be successful in its efforts to overcome the depression. It cannot hope to be successful in raising the necessary tremendous sums unless it has a fiscal agency capable of underwriting and supporting its financial operations. Moreover, it is to the interest of the bankers that this country should possess stable money. This can be achieved only by a Government-controlled central bank which will, in the last analysis, have jurisdiction over the expansion and contraction of bank credit.

The present unsatisfactory banking situation calls for

courageous treatment and the performance of a major operation. To delay this action not only will prevent the economic recovery of this country but will endanger the continuance of the private operation of its commercial banks.

D. R. T.

"Ford Predicts Prosperity"
The New Republic. November 14. 900 words.

Henry Ford's optimism may be justified in the case of his own organization, but his recovery prescription is not effective for others. He intends to produce more cars next year than in any year since 1930. He can take this risk because he both owns and manages his business; he need not account to boards of directors or finance committees;he has no fixed obligations to bondholders. Thus he is free to base his hopes on the profits of mass production, - not so great a risk for him since the purchasing power of lower-income groups has "been stimulated by government benefit payments to farmers,(and)by collectively imposed labor standards, enforced largely through those very labor organizations that Mr. Ford has in his own plant striven to suppress."

The editor states that, if we are to achieve recovery, we must have "more output than we have ever had in the heavy industries that produce capital goods and durable goods for consumers." Yet we cannot provide a market for such goods without either much greater government spending or a large amount of new private investment. "The watchdogs of capitalism object to sufficient government spending, but they are not ready themselves to invest," feeling that there is no market. This creates a vicious circle and a pessimistic outlook, for we cannot have general recovery "until the prices of equipment and materials are low enough, in relation to the cost of making consumers' goods, so that a profit may be realized even though the products are sold at low enough prices to stimulate increased buying."

G. R. W.

"The Arts and our Economic Problems" - Frank E. Baker
Industrial Education Magazine. November. 5000 words.

"We have all come to a realization that the development of art can be achieved only through the solution of our economic problems, and that without a healthy economic life there can be little either of art or culture."

Mr. Baker believes that in time the machines will do all the material production work of the world and leave us"sufficient security and leisure to pursue the good life." How to arrive at this Utopian day is the economic problem now facing us.

First, the author reviews this problem. The way out of our present chaos is "through efficiency of distribution, not through

efficiency of production." Adam Smith's system of economics, based on the principal that high production goes hand in hand with great prosperity, proved fallacious in 1929 when "we had the highest rate of production ever known, and yet our western civilization crashed into the worst depression of its history." We built up a "great gulf between the amount of goods to be purchased and the amount of money in the pockets of the consumer to provide for their purchase. It is this gulf that has created depression." This "production complex" explains the wide-spread opposition to the C.W.A., which is the "only device attempted by the Federal Government to date that aims primarily at distribution, and by the same token it is the only device that has done much to cure depression."

Stacking consumers' figures against the much repeated and disputed statement that 4% of the population own 90% of our wealth, we reach a startling conclusion, "namely, that 4% of the population own 90% of the wealth and purchase less than 8% of the consumers' goods. Or stated conversely - 96% of the population own less than 10% of the wealth and purchase more than 92% of the consumers' goods." An economist, charting the distribution of $100 to one hundred people, "in the relative proportion in which our national income was distributed during the period of high prosperity, 1924-1929,"-offered the break-down as follows: $59 to the first man; $9 to the second man; $1.22 to each of the next 22 men and less than 7¢ apiece to the remaining 75.

We will be forced to liquidate "all wealth that has been built up without any equivalent labor costs" which means liquidating surplus stocks, capital, and credit. Whereas in the days of Adam Smith the percentage of production cost paid out to the worker in the form of wages was perhaps as high as 85%, today it is probably not more than 45% or 50%. Much capital has been built up without any equivalent labor cost, leaving the public in the position of being unable to purchase goods or services that must be purchased if this capital is to pay dividends.

As for employment, statistics show it decreased by 1,500,000 from 1923 to 1929, while production increased 58.5% during the same period. Technology states that the entire production of material goods could all be done by the men between 25 and 45 years of age if each worked 550 hours a year. Thus we are faced, under the present economic scheme, with six, seven, or eight millions of permanently unemployed. This fact leads the author to declare that "the permanent unemployment problem can be met only by employing millions more in the production of the non-material things of life."

"The mass of people have been accustomed to think of economics as applying to material goods only. But economics is defined as 'the science of work and health.' And certainly the teacher, the artist, the musician, the preacher, the nurses, all work." While we are suffering from over-production, or under-consumption, of the material things of life "there never has been and there never will be any over-production of the non-materials of life."

Put more people to work turning out non-material things and this will lessen the over-production of material products. This procedure will also lower production costs of material goods. An example is the development of scientific research, which has reduced the cost of producing electric lamps, automobiles, dye stuffs, wheat, etc.

Large-scale employment in industries turning out slowly-perishable material goods calls for a large capital investment, The need of supporting this large investment causes a decrease in the amount of money available for the purchase of necessary consumers' goods and for the development of non-material production. The growth of the non-material field will, in turn, quicken "the whole life of the people and hence expand the demand for material goods." To prove his assertion that over-production is impossible in the non-material field, the author gives the following illustration: A farmer who raises wheat must necessarily compete for the consumer-market with other farmers having wheat to sell. But while an artist's great painting may have to compete with other works of art in attracting a purchaser,it does not cause an over-production of paintings,but rather stimulates an appreciation of, and demand for, them. "Certainly no one will venture that any people anywhere has over-developed beauty."

"Certainly, the expansion of education increases the demand for education; the expansion of art increases the appreciation of art; the expansion of music develops the passion for music; the expansion of recreation develops the capacity for leisure; and so on through the whole list."

M. H.

"The Last 30 Years of the New Deal" - David Lawrence*
United States News. October 22. 3500 words.

Mr. Lawrence outlines seven principles of the New Deal which have been applied, during the past 30 years, to one of the country's major business activities in an attempt to regulate and supervise, by law, its place in our economic set up. The failure of this 30 year attempt is due to seven fallacies.

The principles are well-known to thinking American business men. Several of these fallacies are:

"The idea that politics and government are ever divorced in the public interest.

"That the price of one factor in our economic set up can be fixed without doing injustice to others or subsidizing competitors which do not have fixed prices.

"That profit should be limited by law or governmental commissions as a means of equalizing brains and initiative. Unless there is the incentive to strive to reduce costs to consumers and to increase return to security owners and investors, the common people suffer - and pay the bill.

"That Government Bureaus can equalize competition or over-

come natural advantages. Government operation was tried during the war and failed. Government supervision has become a cropper, because permitted in long after cure is effected of the abuses for which it was designed. Retain, by all means, safeguards against abuse essential in the public interest, but bring about a purposeful diminution of bureaucracy which never has successfully managed private business in America under the Old Deal or the New Deal."

A. S. H.

"The Hand of Impatience" - William Lloyd Garrison, Jr.
The Nation. November 14. 1800 words.

The author surveys the New Deal from the point of view of a business man. He indicates that President Roosevelt's first move, that of bank reorganization, was a wise one which inspired confidence. Further measures were, however, "often contradictory"; some forced recovery while others hindered it.

The business man is in a process of accustoming himself to the new order. Formerly free to conduct his affairs as he wished for the most part, now he finds himself restrained by various rulings and warnings. He finds it difficult to make reasonable profits in the face of restricted foreign markets, home markets reflecting strikes and drought, higher taxes, and cost of materials and wages. Also, the value of the dollar is not felt to be stable. Furthermore, the Government is encouraging competitive agencies in some instances, and there is the danger of further hostile legislation.

Concerning the N.R.A., the voluntary cooperation of business is praised by Mr. Garrison, but he feels that price fixing is likely to be carried too far, and that the attempt to regulate wage scale will prove impractical.

Another factor affecting the morale of the business man is the presence among the Government leaders of men with a socialistic point of view who are helping to formulate a new social and economic scheme to replace the old.

The Roosevelt program also seems to have set out to reduce the power of the Republican Party, and is charged with disregarding Civil Service in filling positions, and with using Federal funds, - relief and other grants, - to influence the voters. If recovery is not soon achieved, there is danger of this being carried to the point that budget balancing will be farther and farther away, and money inflation will become necessary. To avert this, the business world needs the assurance of the President that the Government will interfere less with economic laws and make an honest effort to check expenditures.

Much of the legislation recently enacted is regarded by men of experience in practical affairs as absurd and actually de-

terrent to recovery. Men of this type, rather than those who experiment and take unnecessary risks, are needed as advisors.

Government monopoly cannot be expected to function any better than private monopoly. Rather, what is needed is the education of the voter, that he may learn to understand the fundamentals of economic law.

What will probably be regarded as the greatest political error of the time by future historians is the "demoralization of the voters of the country by distribution of floods of money from the public treasury, coupled with a false philosophy which declares that every man is entitled to be maintained out of public funds."

Economic laws have been disregarded to the point that general confusion reigns. Government officials need to ponder and reflect.

R. C. S.

"The Next Step in the New Deal" - Walter Lippman*
The American Magazine. November 2500 words.

The powers of Mr. Roosevelt have been compared to those of a European dictator. However, he lacks the very essence of a dictator's power -the power to perpetuate his powers. "He is a democratic official invested temporarily with emergency powers."

We must understand why the President asked for these, why Congress gave them, and why the people approve them. Just before Mr. Roosevelt assumed office,the country was stricken with panic. No one seemed strong enough to stop the collapse;Congress,bankers, business men and farmers were checkmated; people were demanding reform and relief.

If,in March, 1933, Mr.Roosevelt had tried to deal with Congress in the routine method,it would have required at least twelve months to prepare, debate and enact the necessary legislation to cover all the various needs of the moment. While they would have been trying to decide these matters,the situation would have been constantly changing. The people had to choose between giving the President power to act quickly or of standing-by and letting the panic run its course. The result showed that the right decision was made; the panic was checked when the country felt there was a strong hand in Washington.

The President made some use of all of his powers but made some mistakes. "What he did with the A.A.A. was in considerable measure neutralized by what he did with the N.R.A."; he had powers to increase employment but he used them to increase wages and thus make it difficult for employers to give out more jobs; he had a large fund to increase employment by public works but having encouraged a rise in prices and wages, the cost of public works rose and less work could be created.

There are few who doubt Mr. Roosevelt's high-mindedness and good will, but that is not the point. American business is run by the private initiative of employers, investors, buyers and sellers; each acts for his best interests, but if he does not know what the rules are going to be, he will not act. In other words, there is a lack of confidence. The powers which were granted in 1933 were necessary to stop the panic, but it is now time for definite rules and policies to be laid down so that private initiative may be brought into play with the assurance that a set policy will be carried out. Washington cannot regiment the American people; rather, it is tending toward a bureaucracy entangled in red tape which may become a nuisance. "The great emergency powers are now becoming a source of confusion to the people. . . they need to be disestablished and for them substituted orderly processes of law."

T. L. P.

"Toward A New U. S. Civil Service" - Leonard D. White*
Fortune. November. 7000 words.

Mr. White suggests a broadening or reorganization of the Civil Service system in order that the Government may attract and utilize the best of our college and university trained men. To date, ways of entering the Federal service through the merit system have been lacking unless they have specialized in some vocation which has enabled them to pass examinations in such specific subjects as chemistry, statistics, agricultural economics, or veterinary science. He also aims to withdraw as many posts as possible from dependence upon political favor. Another phase of his revision program is the improvement of opportunities for advancement of those employees who hold Civil Service appointments.

If such a program should become established, so that a large number of competent people were "on tap" in their files, he advises that the New Deal administrators be drawn from these ranks. As a partial inventory of new fields which he should like to see filled through the merit system, he names: the N.R.A.; the administration of state and local relief programs; the insurance of bank deposits; the C.C.C. camps and public-works projects; the issuance of securities and the supervision of stock and produce exchanges; the participation, through the R.F.C., in large-scale financial and industrial undertakings; the services of district courts in enabling municipalities to adjust their debts; negotiations with farmers through the Farm Credit Administration and the A.A.A.; and the administration of the H.O.L.C.

"Despite the fact that many of the New Deal organizations were exempt from the provisions of the merit system, they have frequently used the registers of the Civil Service Commission to secure competent workers and in many cases have asked advice from the Commission as to the best way to handle their personnel problems." Mr. White admits, nevertheless, that the present Civil Service set-up "is not an organism especially well adapted to

doing new things, or doing them quickly under emergency conditions. Therefore, he advocates a new system that will always have on hand a permanent corps of trained administrators, apt to produce long-time results of a better quality than those effected by the dollar-a-year-men and college professors who have been summoned to the capitol in the emergencies produced by the War and the depression.

The fundamental aim of this program is summed up by the author as follows: "The formation of a highly intelligent and highly trained administrative service along these broad lines of training and experience would give the national government of the United States power, prestige, capacity for service, and the confidence of the American people to a degree that is now only dimly perceived. It would relieve an incoming administration in large part from the necessity of creating a temporary 'brain trust', drawing men from university life for a brief period of time on account of their special knowledge of particular fields, but with ignorance as to their capacity and skill in administration or in official contacts. It would put at the disposal of any administration of any party a disinterested reservoir of competent advice on the complex social problems with which government now has to deal, and would guide any administration along sound and properly conceived lines."

G. R. W.

"Labor's Broken Front" - George E. Sokolsky
The Atlantic Monthly. November. 7300 words.

Mr. Sokolsky, according to the Atlantic Monthly's Contributors' Column has a "passionate interest" in labor problems and has during the past two years made an exhaustive first-hand study of conditions from coast to coast." His conclusions are that "each worker is an opportunist who determines for himself what his personal benefits will be in each situation. He does not function for a class; he functions for himself. He is not led over a long period;he strives to stand alone and get what he can. He wearies quickly of ideologies and mass tactics, and asks the eternal American question: 'Where do I get off?'" And elsewhere: "The average worker does not function politically as a worker at all (compare Republican-Democratic vote with Socialist-Communist vote.) He has no ideological basis for his demands, but pursues a bread-and-butter policy of trying to get more wages and shorter working hours with the least trouble." Nevertheless, the leaders of our labor movement cannot afford to be merely opportunistic, for the implications of the N. I. R. A. are unmistakable. It has become necessary to organize labor as a class. "The law requires labor to organize,and the implication is that it would be preferable for it to organize into One Big Union." The A.F.of L. wants to be that one Big Union but shies away from the fact that once the American worker is organized then the Marxian class struggle "becomes a positive factor in the relations between labor and the rest of the people of the country."

Since this is true, it is difficult to see how the A.F.of L. proposes, on the one hand, to support capitalism and the profit motive and, on the other hand, to continue indefinitely to demand a larger share - for there can be no stopping - of profits. When the vanishing point has been reached, then Capitalism is dead.

The Federation still does not represent the majority of American workers and cannot until it has defeated two enemies, - the individualism of the American worker and a certain confusion of purposes and principles that seems to exist in the minds of its leaders.

W. E. O., Jr.

"Labor Information Bulletin"
Bureau of Labor Statistics, U.S. Department of Labor, September. 19pp.

A new publication entitled "Labor Information Bulletin "has been issued by the U.S.Department of Labor.In the introduction to the first issue, Miss Frances Perkins, Secretary of Labor, describes the periodical as "an attempt to summarize briefly general labor and economic facts of interest to all workers. To get a clear idea of the industrial problems, workers must have unbiased and scientific information which covers not only conditions in their own particular industry, but also in the larger issues affecting the welfare of all labor and the nation as a whole."

The first issue of this bulletin covers briefly a number of timely and interesting topics such as "The President's Program of Economic Security," "The National Labor Relations Board," "Labor Disputes and Arbitration," "Employment and Payrolls" in manufacturing industries with comparable statistics and graphs.

There is also a brief report of a survey on "Earnings and Standards of Living of 1000 Railway Employees during the Depression." These men were employed but reported greatly decreased earnings, 7 out of 10 having suffered a drop of 20% or more, 3 out of 10 a reduction of 40% or more, and 1 out of 10 a loss of at least 60%. Statistics are given to show that about 33% used up savings and dropped life insurance, 12% lost their homes, and more than half incurred additional heavy debts. Most significant is the lowered standard of living, in that many of the children were forced to drop out of school and 22% of the families were forced to move in order to reduce their rent requirements. Health conditions were found to be such that in 30% of the families one or more persons required medical attention but could not afford it.

In addition, there is a summary of the activities of the Federal Government in increasing employment and administering relief, and also a chart indicating the trends of industrial production in various lines.

The Bulletin contains valuable data and statistics, and

will no doubt prove to be a channel of value to all those interested in the problems of labor, social legislation, and all fields of the social sciences. It will be sent free to any interested person, who requests it from the Bureau of Labor Statistics.

H. G. M.

"Blue Eagles and Black Workers" - John P. Davis
The New Republic. November 14. 2500 words.

Underpaid Negroes have always been a burden to southern prosperity. Just prior to code making, more than 20% of Negro workers normally attached to industry were without jobs. The price rise without the corresponding increase in wages tended to decrease their buying power and reduce their standard of living below the starvation level. As a group, Negro labor was helpless against long hours and low wages in those occupations and industries where the predominant labor supply was Negro. Only in a few exceptional cases were they sufficiently organized to bargain collectively. At 600 code hearings, fewer than 12 Negro representatives of organized labor have appeared. The Government has done little to satisfy the demands of those who are interested in obtaining economic justice for the black worker.

The cotton-textile-industry code presented the first opportunity for a solution of the problem. The industry had eliminated Negroes from all skilled labor, and employment was only to be had in outside crew gangs and as cleaners. They were wholly unorganized and were the lowest paid group. The code of July 17, 1933 made no provisions for the reduction of hours or increase in wages for outside crews and cleaners. In the meantime, the cost of purchasing in the company owned stores increased about 30%. It was not until January 1, 1934 that the cotton textile industry proposed an hour-and-wage scale for its exempted classes. Without a public hearing, the N.R.A. adopted the wage previously set and time regulations four hours in excess of the maximum weekly time then in operation. It is doubtful if any substantial wage increase can be demonstrated. On the other hand, the N.R.A. states that Negroes were not discriminated against, for all outside cleaners were treated in the same fashion. The precedent established here was used to the disadvantage of an additional 20,000 Negro workers in other branches of the textile industry.

When different geographical sections are studied, there appears to be a wide difference in the rate of pay under the same code. Where one section is predominantly Negro, their presence tends to lower the wage rate because they are listed as inefficient workers. Wherever the largest labor supply of a section is Negro, that section is called "South."

In Arkansas, Negro workers were dismissed for complaining that they were not being paid the minimum code wage. In another instance, workers were earning one half of the code hourly rate and working twice the hours permitted.

The codes have left gaps which are unfavorable to the Negro and the compliance machinery seems to deny Negro workers in the South any sort of guarantee of equitable treatment. One Negro said: "Before the Blue Eagle we was just one half living, but now we is only one third living."

W. F.

"Smith, Jobless, Sees Red" - H. P. Dutton
Factory Management and Maintenance. November. 1500 words.

The danger of communism spreading through the ranks of the unemployed and among strikers lies in the tactics generally employed by those in authority to suppress such activities. "Physical force will not suppress emotional forces of such intensity. It will only drive them underground where they accumulate to explosive violence. Arrests and beatings only make Saccos and Vanzettis out of otherwise hapless nonentities . . . . The communist is dangerous, not because of his averseness to social organization, but because of his unwillingness to wait for the gradual and peaceable discussion of these ideas in the court of public opinion." The threat, however, is worse than the actual state of affairs. For instance, in Chicago, the "communist-inclined council of unemployed claims a membership of only 5% to 7% among Chicago's 150,000 on relief."

In dealing with this situation, we should follow the policy pursued by England, where the agitator is put on a soap box under police protection, and is allowed absolute freedom of speech, within the bounds of decency. In other words, the communist revels in the suppression and persecution of himself and his class, which justifies his fight for "justice" in the eyes of the world.

"Arresting the communist on suspicion has the same effect on the general situation as trying to put out a fire with kerosene . . . Obviously the first problem in a large sense is to provide normal outlets for the frustrated normal impulses of the unemployed . . . The federal policies have as a whole been right in the effort to provide outlets and occupations, as well as relief."

For employers facing these problems, the author suggests such precautions as submitting their policies and conditions to an outsider for unbiased review; keeping their tempers; and ascertaining whether public opinion is in sympathy with the strikers or the management.

M. H.

"New York Placement Bureau Finds Jobs For Boys and Girls"
Christian Science Monitor. November 12. 900 words.

A job for one out of eight boys and girls between the ages of 17 and 20 is the record of the Junior Placement Bureau of the

New York State Employment Service for September, when jobs were found for approximately 1000 applicants. An average of 8000 young people register monthly with this bureau, which lists on an average of between 1600 and 2000 opportunities in the same length of time, and has 14 offices throughout the State.

The aid of lecturers, vocational services, instructors, industrial guides, and recreational and social workers has been recruited, mainly from persons on relief rolls, to help and advise these young people on their employment problems. "We are doing everything we can to maintain morale among these boys and girls whose eagerness to start earning a living is so often turned into despair and bitterness, or most tragic of all, a dull inertia or lack of interest in work, study, play, and in life itself," states Miss Clare L. Lewis, associate director of the Bureau.

Six offices of this Bureau are located in New York City, four in Buffalo, and one each in Albany, Rochester, Syracuse and New City. Applicants are asked to come in regularly one day a week. By a rotation of applicants, every boy and girl has a chance one day each week to be referred to a job opening.

"It has been found that the boy or girl with average training and physical and mental equipment is placed in some sort of employment within three months, assuming that attendance in the waiting room is kept up weekly. Those with unusually good training or mental ability often are placed in much less time." Miss Lewis said that, as a rule, the longer the period of unemployment, the more difficult it is to place an applicant in a position.

With the cooperation of the Y.M.C.A., the Y.W.C.A. and other social agencies, this Bureau has been able to place recreational and social facilities at the service of these unemployed youths.

The increase of wages paid boys and girls through the N.R.A. code has caused a decrease in the number of jobs open to them. This is due to the fact that, for an increased minimum wage, an employer feels he will do better to hire adults instead of inexperienced or immature workers.

Wages for domestic help have risen from $15 to $20 a month; with room and board, to $25 to $30 monthly; certain types of factory work now pay from $10 to $18 weekly instead of the $6 to $10 a week of the pre-code era; office work salaries range from $8 to $14 weekly; mercantile jobs for boys and girls between 17 and 20 offer $12 to $14 weekly.

As for the types of work with the greatest number of openings, first is the errand group and then factory work, with a goodly number in mercantile labor. A majority of the boys and girls are listed for office work, a field which presents the fewest openings of all.

M. H.

"Unemployment Rises Above Last Year"
American Federationist. November. 800 words.

The total number at work in the United States was 39,764,000 in September, 1933; by September, 1934 it was only 39,367,000. This represents a decline of nearly 400,000.

However, unemployment statistics compiled by the Government indicate that an increase has occurred recently raising the total number out of work in industry from 10,821,000 in August to 10,951,000 in September.

Omitting the textile industries because of strikes, figures show a slight seasonal gain. Jobs recently filled include 170,000 in the retail trade, 13,000 in the mines, and 25,000 more on farms during the harvesting season. Manufacturing and industry contributed nothing to fall employment gains.

The most significant gains made in industry in September were in those directly affected by the farmers' and workers' buying power.

September figures show that the Government is carrying a monthly load of over $95,000,000 for payrolls in P.W.A., C.C.C., and E.R.A. work, providing emergency work for 2,229,000 persons. Of these 307,000 are in the C.C.C., 539,000 in the P.W.A., and 1,383,000 on other F.E.R.A. work. Although these jobs reduced the number without work to 8,722,000, they are not creating income to pay their cost. "Could any statement show with greater force the immensity of human need today, the urgency of an immediate Federal program to put men back to work in industry?"

W. F.

"Married Women and Employment"
United States News. November 12. 900 words.

N.R.A. hour minimum wage regulations have placed women workers in a better economic position than ever before. Miss Mary Anderson, director of the Women's Bureau of the Labor Department, says the 44 state legislatures which meet next year should see to it that the best features of the codes are retained by making them law. According to the last census, 8,549,511 women were gainfully employed, a number equal to one fourth of all the male workers. While the greatest increase in employment has been among single women, the percentage of married women seeking employment continues to increase. Whereas but one out of every 22 married women was gainfully employed in 1890, by 1930 the average was one out of every nine.

The Economy Act of June, 1932 providing that when both husband and wife are in the federal service, a reduction in force shall affect one of them, has caused an estimated 1500 married persons, 1000 of them females, to lose their jobs. This discrimination, which particularly affects the married women, does

not open up enough job opportunities to make any sizeable dent in the unemployment situation. Furthermore, many such married women, now that they are unemployed cannot afford household help and similar services which in turn, provide employment for others

The distribution of married women workers shows that 36% are in domestic and personal service, 20% in manufacturing 9% in agriculture, 12% in clerical work, 10% in professional services 11% in trade, and less than 3% in the transportation, communication, and public service groups.

M. H.

"Medical Care for the Unemployed and their Families under the Plan of the Federal Emergency Relief Administration." - Miriam Simons Leuck American Public Welfare Association Chicago. Pamphlet. 28pp.

The Federal Emergency Relief Administration, under Rules and Regulations No. 7, provides medical, dental, and nursing care to families receiving unemployment relief in addition to such service as is rendered by city and county physicians clinics, and hospitals. At the time this report was completed 15,000,000 Americans were eligible for such medical attention and 29 States were operating under the Regulation. A few States, which were taking care of their indigent under a plan that seemed to them satisfactory, did not feel justified in making a change; still other States were unable to participate in the plan due to financial difficulties, fee schedule controversies, and lack of qualified personnel to administer the program.

The Regulation specifically provides for medical attention for acute illnesses, chronic illnesses, and obstetrics, in the office of the physician and in the home of the patient. Under this plan the people may consult their own family physician or dentist without adding to his already over-burdened charity account. The nursing care has not been as generally used as would seem necessary, but has been confined largely to those communities which have organized public health nursing service.

Local supervision not only insures the quality of service, but also controls costs and prevents funds being wasted on unnecessary care. Practically all counties have a Medical and Dental Advisory Committee whose duty it is not only to act in an advisory capacity, but also to check all medical orders and invoices submitted to the respective counties for payment.

"The educational effects of the program should not be under-estimated, and may go far toward breaking down some of the long-run obstacles to any health program. . . In the first place, it is educating the community as to its responsibility for such care."

H. A. M.

"Homesteads Urged As Aid To Miners"
Philadelphia Inquirer. October 25. 400 words.

The purchase of land for a subsistence homestead project in Pennsylvania's economically hard-pressed anthracite region is being negotiated by government agents. Authoritative sources said "The negotiations were the first step in a 'demonstration' program designed ultimately to aid the thousands of jobless miners who have no apparent prospect of returning to work in the mines."

Although this project will be of great importance to many unemployed miners, it was indicated that it would not be large enough to provide an adequate solution to unemployment problem of the entire region.

It is surmised that between 36,000 and 40,000 miners are idle in the hard coal fields. Many of these unemployed miners now on relief rolls, have no knowledge of any other occupation save mining.

"Thrown out of work as the industry's once vast markets were steadily invaded by competitive fuels--gas, oil, and electricity--these men face the prospect of permanent unemployment or a Government 'dole' unless they can be transferred to new fields of endeavor."

M. E. S.

"Subsistence Homesteads in Westmoreland County" - Division of Subsistence Homesteads.
U. S. Department of the Interior. Bulletin. 6 pp

A subsistence homestead project was undertaken by the Federal Government in Mt Pleasant Township, Westmoreland County, Pennsylvania, in the summer of 1934, with an allotment of $625,000. The project was set up in this County in order to aid unemployed miners of the bituminous area. The area consists of 1323 acres. There are to be 250 home sites, each having a house and two acres of ground; and 700 acres of farms, with approximately 3-3/10 acres allotted per homestead. The public utilities for this project include bus service, trolley service, light, and water. A one-acre tract of coal is to be worked. The equipment and material needed for this project is made on the tract.

This first summer 28 acres were farmed. "In the fall the Homesteaders Cooperatives canned 15,600 cans of vegetables which can be purchased by work units of labor."

The 250 houses to be erected are to have an approximate value of $2500 each. The houses are to be occupied by selected homestead owners who will purchase them by working on the project until hours of labor credits reach approximately $350 to $400; the balance of the purchase price will be paid in 20 to 25 year lease ownership plans. The workers will be paid in cash for one day

each week and two days or more applied as work credits."In making these labor units in addition to compiling hour credits the workers have been assigned to work under skilled carpenters, masons, plasterers and various trades, thus giving the workers a chance to learn the various building trades."

M. E. S.

"Work Relief Projects Advancing Planning in City, State and Nation." Information Bulletin No. 20, Regional Plan Association, Inc. 4800 words.

Greater progress is being made in planning at the present time than ever before, due chiefly to the organization of planning on a work-relief basis in many areas throughout the country. City, county, and state planning activities have been organized as work-relief projects. This is obviously one of the major factors in the planning situation at the present time.

In New York City a concerted effort is now being made with the aid of all the work-relief resources that can be marshalled, to give the city a unified, comprehensive plan. Last winter, Mayor LaGuardia appointed a new Mayor's Committee on City Planning under Bernard S. Deutsch, President of the Board of Aldermen, which committee, with a staff of 100, is now organized as a separate work-relief project,under the direction of Lawrence M.Orton. This committee has started on the preliminary surveys necessary before making a comprehensive plan.

The New Jersey State Planning Board, working in cooperation with the State relief administration, is undertaking to aid the counties of the state in setting up work-relief planning projects.

These are only two instances of the many planning activities which are being organized on a work-relief basis.

The bulletin states: "With so much concrete accomplishment in the form of work-relief projects during the past year,and with clear evidence that extensive resources will be available on the same basis during the coming year, there is every reason to look forward to continued progress on planning projects of this type."

From recent reports of the National Planning Board and the experience of the Regional Plan Association in the New York metropolitan area, the conclusion is drawn that the further development of planning in the form of work-relief projects in counties, cities, and smaller communities is one of the outstanding opportunities for the constructive use of public relief funds, and for the advancement of planning, during the coming year.

The bulletin also deals with the definition of a planning project, benefits to the community resulting from a successful project, the organization of projects, recent progress and recent

trends in national, state, county, regional, and city planning, and the need for facts.

A. N.

"Sowing a Large-Scale-Planning Idea" - George Young, Jr.*
The New York Times. November 13. 650 words.

Cornell University is going to attempt to train people in the idea of planned and controlled development of both public and private properties in order to find a basis for better living.

In 1928, William H. Schuchardt, former chairman of the Milwaukee City Plan Commission, joined the Cornell faculty and shaped the work done up to his retirement in 1930. Former efforts had been technical courses in city planning; the new courses will avoid technicality and cater to students of any course who may be interested in the program. It is felt that achievement does not depend on trained experts so much as on the cooperation of many diversely trained people brought together by a common, informed interest. Leadership will naturally fall not on technical experts so much as on one conspicuous for leadership and coordination.

Cornell seems ideal for such a course. The student body is large, drawn from urban and rural sections, and from diverse political units. The University has already made valuable contributions in rural social organization under the direction of Provost A. R. Mann, chairman of the New York State Planning Board.

Introductory courses will be followed by advanced seminars and graduate work for those interested; those wishing to make this their main interest will seek further training elsewhere.

The College of Engineering will be influenced by greater emphasis on the social and esthetic aspects of highway and parking problems. The College of Architecture will be strengthened by the presence of a man of wide experience in park and parkway planning. The College of Agriculture, even now experienced in land use and rural social organization, will find collaboration in related fields of great benefit.

T. L. P.

"Shady Business In The Red Cross" - John L. Spivak*
American Mercury. November. 22,000 words.

In this article Mr. Spivak charges that the Red Cross collects contributions annually under false pretenses. He states, "I cannot, in the space of even a lengthy article go into great detail but I can present enough evidence to strip the Red Cross of the saintly cloak it has donned, show it for what it is, and leave the rest for an impartial investigating body to probe to the bottom."

The twenty specific charges he makes are as follows:

1. It is essentially a war machine preparing for the next war.

2. It is largely dominated by a military and banking group.

3. It is neither neutral nor non-combatant, as the Treaty of Geneva, signed by the United States, requires.

4. Its nurses sign a military oath which places them in the combatant class.

5. The banking group which largely dominates it is J.P.Morgan & Company.

6. Most of the millions of dollars the Red Cross gathers from school children and working men and women are banked chiefly in Morgan banks.

7. Large sums of money collected from the American people are invested in Morgan controlled businesses.

8. Large sums of money collected from the American people are invested in businesses whose directors are incorporators of the Red Cross.

9. The Red Cross has an agreement with the New York Trust Company which it refuses to disclose, under which this Morgan-controlled bank buys and sells millions of dollars worth of securities, in which the Red Cross invests its money.

10. The Red Cross refuses to tell how much it has paid out to this Morgan-controlled bank for handling the accounts.

11. Of the three and one-half millions of dollars collected from school children and workers last year for relief work, two and one-half millions were spent on salaries, travelling expenses, maintenance of the war machine, etc., as against one million dollars for actual relief.

12. The Red Cross set aside $4,000,000 collected from the people "to feed hungry Americans" for a special war fund.

13. Despite its publicised "internationalism" and "humanitarianism," Judge John Barton Payne, head of the Red Cross, states that this organization is to be used first for government, and second for humanity.

14. In its post-war relief, the Red Cross collected millions to feed starving foreigners, but it used the money for military purposes, to help fight forms of government it did not like.

15. The Red Cross has forced starving Americans as well as foreigners, for whom our generous people contributed millions for food, to work without pay for the bread for private employers.

16. The Red Cross has collected money from workers to buy food, and then used it to discriminate between strikers and non-strikers.

17. Where Morgan-Mellon interests are concerned, the starvation of striking miners is not regarded as an "act of God," though the Congressional charter says nothing about giving relief only when hunger is caused by "acts of God."

18. In distributing relief after a disaster, the Red Cross will spend much more money than is necessary in order to give profits to local store-keepers in the disaster area.

19. When the Government gave the Red Cross millions of dollars worth of wheat to distribute to American drought sufferers, "The Great Mother," instead of spending some of the millions she collected from the people, spent one third of this wheat money for expenses and distributed to the people only two thirds of the government wheat.

20. Even in rendering relief in a disaster area, the Red Cross draws distinctions between the poor and the well-to-do, the instructions being to distribute relief "according to the pre-disaster living standards" of the recipient

In the author's opinion, the charges are sensational enough to warrant an investigation by the Congress of the United States under whose charter the Red Cross operates. The investigators should be empowered to recommend any changes in the organization which might be necessary.

S. M. G.

"A Study of the Needs of Adults for Further Training" - Marion R. Trabue and Beatrice J. Dvorak.
University of Minnesota Press. 32 pp. 50¢

This report discloses the fact that very frequently the need of an adult is not further education but an understanding of the education he already has and a more thorough knowledge of himself and his abilities. Once this understanding is acquired, he is liable to find the right job in less time.

Men or women who should have further training are often unaware of the necessity for it, while those who continue their schooling often attempt to prepare themselves for positions for which they are not fitted, thus reducing or retarding their chances of success in the proper field. Actual tests made in connection with this study showed that of those who took the advice of the clinic as to the type of training they should pursue,

three fourths were successful and some of them got jobs immediately. On the other hand, two thirds of the persons who took inappropriate training, failed. "Those who were found to need training in order to achieve occupational success were already better educated in the ordinary academic sense than were those who did not need training.

"Instead of helping people to discover their vocational aptitudes and needs, our high schools and colleges may, according to certain indications in this report, actually be contributing to the occupational maladjustments of a considerable number."

M. H.

"Turn High Schools into Peoples Colleges" - Robert M. Hutchins*
The Journal of the National Educational Association.
November. 1000 words.

Due to the collapse of public education in some western and southern states, it seems that a reorganization of the educational system is necessary to meet new economic conditions. This new setup must accommodate students whom industry can no longer absorb.

The New educational system is this: The primary school will complete its work in six year; the pupil will enter high school at twelve and leave at sixteen. After this, two courses of study will be open, one technical, and one cultural. These courses will last four years and will be the completion of formal education for the majority. These colleges and technical institutes will be numerous and local. It will be as natural for the pupil to attend them as it is to attend high school today.

Many of the small colleges of today will become schools of the new type. They will not attempt the expensive and difficult work of the junior and senior year of our larger and better colleges. The strongest of our present colleges may develop in another direction; they may specialize in arts, literature, and science. They would admit students at the beginning of the junior year for a three year course leading to the M. A. degree, which will supplant the B. A. The bachelor's degree will be granted at the end of the present sophomore year on graduation from the new colleges planned. Universities will abandon their freshman and sophomore years and will consist of professional schools in arts, literature, and science. Careful selection will be practiced at this point and no one will be permitted to enter the university who cannot demonstrate his interest and ability in some field of knowledge. The university will be devoted to scholarly and professional work and the cultivation of the minds of those who have minds to cultivate.

This will also clarify the purposes and duties of high school, college, and university. It will provide for expansion and diversification of educational opportunities and so meet the most pressing social need of America today.

T. L. P.

"The School for Workers in Industry at the University of Wisconsin"
School and Society. November 17. 400 words.

The school for workers at the University of Wisconsin has benefited more than 13 000 citizens in the State during the school year of 1933-34. The total cost to the University for the maintenance of this school during the past year was $4720. This amount provided for classes in economics in nine cities and talks on economics by notable persons. The classes in economics and general education had an average attendance of forty students. Four labor institutes under the same auspices, held at the request and with the cooperation of central labor bodies, had a total attendance of 2300.

The summer school of 1934 held its regular six week session for workers among whom were a group of unemployed studying vocational subjects. The summer school was also a training center for F.E.R.A. teachers for Wisconsin, Michigan, Minnesota, and North and South Dakota.

The Wisconsin School for Workers started in 1924 as a school for employed persons who wished further education. However, it was not until this past year that special provision was made for the unemployed.

A. E.

"Recreation as a Socially Useful Field of Employment" - John Colt
Recreation. November. 3000 words

Last winter, the Leisure Time Division of the New Jersey Emergency Relief Administration had 41.000 people enrolled in its program which included educational courses, handicrafts, concerts, theatricals, playgrounds, and various other types of entertainment. During the summer months, 43.000 adults and 160,000 children benefited from the program, while 615,000 people in the State attended dances and concerts sponsored by the Leisure Time Division. Junior colleges in New Jersey, sponsored and financed by the E.R.A., attracted 2000 pupils.

The writer says we are now "pioneering in human relationships and in that pioneering the surface has just been scratched . . . America has never suffered from too much education, but we have spent too much money on buildings and too little money on teachers."

The author recalls the gist of a question which the unemployed have repeatedly put to him: "Mr. Colt, we don't want to become radicals; we don't want to join the ranks of the enemies of organized society; but will you answer us one question? Why is it that those people are the only people that seem to have time to talk with us?"

M. H.

BOOK REVIEWS

"A Short History of the New Deal." - Louis M. Hacker
F. S. Crofts & Co., New York City. 151 pp.

The New Deal is neither revolutionary nor counter-revolutionary. When an economic system becomes old and rigid, when expansion gives way to consolidation, then oppression becomes the open weapon of the ruling classes and revolution must be resorted to if new life and fluidity is to be obtained. Counter-revolution is seen in Fascist Italy and Nazi Germany, where capitalism, confronted by organized and powerful working class militancy, seized power, ruthlessly crushed the workers, and set up a totalitarian state of pure capitalism.

"The New Deal has recognized that the American economy has slowed down and that the forces within it are no longer in equilibrium. Opportunities for capitalist enterprise have contracted --the population has ceased expanding, there are no new great industrial fields to be opened up, oversea markets have been shut off by high tariff walls or are already being closely worked by hostile imperialist nations-and capitalism is actually confronted by a fall in the rate of profit. Control has shifted from industrial capitalism to finance capitalism (with the emphasis therefore no longer on legitimate economic expansion but on the exploitation of investors and the wrecking of properties); the spread between capacity to produce and ability to consume constantly widens; imperialism reveals its inability--without deadly international warfare--to provide all the needed outlets for surplus capital. The world market for our agricultural products has largely disappeared and a decline in farm land values has set in. Not only have new jobs for white-collar and professional workers virtually become non-existent, but there is a surplus rather than a dearth of industrial labor as well. Class lines have been clearly drawn; the danger of class hostilities is no longer remote but already in evidence. Under the conditions of a free market the owners of the means of production, because of their greater strength and organization, could continue to maintain themselves, perhaps for a long time; but their security would depend upon the steady debasement of the standards of living of the other classes in society.

"This, it must be plain, would eventually lead to the creation of conditions favorable to either revolution or counter-revolution; but the philosophers of the New Deal, abhoring the thought of violence and having no conscious class interests of their own, have refused to agree that the mechanism has run down. They will wind it up again and, having done that, will suspend in balance and for all time the existing class relations in American society. The private ownership of the means of production is to continue; but capitalism is to be stopped from exploiting, on the one hand, the producers of its raw material and, on the other, its labor supply. Agriculture, despite its over-capitalized plant

and its virtual restriction to the domestic market, is to get a large enough return to allow for the meeting of fixed charges and the purchase of capital and consumers' goods. Wage earners, although in a machine economy there are too many of them in the white-collar and labering groups are to be assured employment and at least means of subsistence, if not incomes conducive to a decent standard of living."

The New Deal in practice has succeeded in two things; stopping the panic by somewhat restoring confidence and increasing profits. Confidence, however, without actual results benefitting the masses, will not continue. Profits, on the other hand can continue to rise only at the expense of the masses. In 1932 some 400 companies reported a deficit of about $97,000,000; in 1935 they made a profit of $601 000 000. The first 250 companies reporting for the first half-year of 1934 showed net profits of $278,655 000 as compared with $36 362,000 for 1932.

On the agricultural front vast sums were spent by the A.A.A. to cut farm acreage. At the same time people were moved to subsistence homesteads. This program beside taking people definitely from the agricultural market and to a large extent from the industrial market faced many problems: keeping them off the markets as producers moving industry to them or setting up new industries expanding to take care of urban as well as rural workers, and furnishing schools hospitals and other facilities, at an estimated cost of $10 000 000,000. At best it would merely create a series of company towns tying people down to their land where they were sure of a mere subsistence and making them otherwise dependent upon the big-heartedness of industrialists. The estimated cost of an adequate program is $10,000,000,000.

"Ten billion dollars merely to create a sheltered peasantry, and to move three million American farming families from their present wretched condition to some future uncertainty" Later however, the author points out:" It may be than an American Government,hard driven by the contradictions of its own position, may even (as in Italy and Germany) seek to build up exactly such a sheltered peasant group as a rural reactionary bloc to withstand the revolutionary demands of the organized industrial workers."

Furthermore the reduction of acreage campaign failed. By increased efficiency larger yields were obtained on less ground, and due to the fact that other prices were rising more rapidly than those of farm produce, the spread between the farmers' expenses and income increased. The slight rise due to the drought, which wiped out thousands of farmers,though benefitting a few,exerted the greatest influence upon the industrial workers by lowering their real wages.

In the factory, the N.R.A. gave monopolies new life, raised prices and profits,set a minimum wage which became a maximum, and gave labor the right to organize under the thumb of the employer.

Some gains were made in shortening hours and eliminating child labor but wages have not risen with production and profits. Still worse is the stand upon organized labor. Workers soon learned that the right to organize had definite limitations. In the San Francisco general strike the strongest Fascist tactics were used; beatings, arrests, raids, and police support for, rather than against, vicious vigilantes hired by employers, "Talk of red control of the strike--which never, for a single instant, had existed--became very common." When the Government and even the President of the A. F. of L. disavowed the strike, the bewildered workers, defending their idea of section 7(a), had to give in.

In conclusion, the author asks, "What next?" Fascism, a brutal oppression of everything but profits, seems hardly possible except at heavy cost in bloodshed and as a last resource. Imperialism, a reckless competition for foreign markets, regardless of cost, seems more likely. Japan and Great Britain are rivals but our resources, organization, and technical skill give us somewhat of a lead. Nevertheless, at the end of the imperialist road stands war, and either way may lead to the proletarian revolution. The New Deal, before it has run its course, may yet be called upon to face one or another of these tests of fire.

J. B. S.

"America Goes Socialistic" - Henry Savage, Jr.
Dorrance & Co., Philadelphia. 146 pp. $1.75

In a democracy within a capitalistic economic system, conflicts and resulting modifications in the system are inevitable. The rule of the majority must eventually prevail and result in a more equal distribution of the fruits of labor if the structure of the State is to be maintained.

Mr. Savage has presented numerous instances of the occurrence of his phenomena in our history, beginning with Alexander Hamilton's efforts in 1790 to safeguard public rights, and carrying through the Anti-Trust Laws of the 1880's, up to our present government. He has indicated the progressive growth of "government in business," the development of legislation for social security, and the socialization of industry as evidenced by the Tennessee Valley Authority. These developments, he points out, tend toward the socialization of industry and will eventuate, he says, in socialism.

Mr. Savage's conclusion will surprise Socialists who view with alarm the government's effort to perpetuate capitalism by making adjustments which apply "socialization" to parts of the system and which will, in all probability, further delay the acceptance of socialism.

The cause of socialism has prospered, however, as the author points out, by the more universal acceptance of the responsibility of government to function in the interest of the masses

and the individual of the masses. Individualism, always an obstacle to socialism, has become almost unknown and exists only as verbiage. Socialism's hope rests upon this change in our philosophy of government.

E. H. O.

"The Housing Program of the City of Vienna - Charles O. Hardy and Robert R. Kuczynski
The Brookings Institution, Washington, D.C. 143 pp. $2.00

The depression has curbed the enthusiasm of those who were going to save America by helping every workman to get a mortgage, but it has left the nation face to face with the necessity of providing decent housing, financed in some way by government if the lack of profit makes new housing by private initiative improbable. In addition, large scale housing projects, slum clearance, etc., are excellent ways to make work for unemployed workers in the building trades.

With this growing realization on the part of large numbers of people, reliable information on the problems and methods of solution in other countries is welcome. The volume published by the Brookings Institution gives an account of post-war Vienna's achievements in this field that should be particularly suggested to those interested in re-housing the low income groups in our large cities.

It is well to state that Vienna's housing shortage was far more acute than anything we have ever experienced in this country and that certain circumstances made the Social-democratic housing program possible at a relatively low cost. Before the War, the city was below the average of not only the standards of America but of many European cities as well. The author of this volume was particularly impressed by "two very bad types; namely, big tenement houses which date from the middle of the nineteenth century, and certain seventeenth and eighteenth century houses which were once high-class homes, but have been converted into apartment buildings, and which as a result of minute subdivision, excessive age, and extreme overcrowding, have become conspicuous centers of misery." These types remained to plague post-war Vienna, and an increased demand for dwellings, combined with a diminishing amount of new construction, made action imperative. The net increase in dwellings for the years 1919-23 "was only 2,624 and most of this small increase was due to municipal building." There was a let-down in housing standards as well; houses earlier condemned as unfit being reoccupied and persons living in dugouts, caves under railway embankments, and other emergency refuges. In addition, the rent restriction policy of the Austrian Government, and inflation, had frozen the existing occupancy arrangements.

"At the outset the building program was an emergency expedient and not the outgrowth of a permanently considered policy.

Its purpose was not to improve the community's standards of housing, but to provide relief for the absolutely homeless." Nevertheless, the changed political status of Vienna within Austria, and Social-democratic control of the city, gave the innovators their opportunity. Granting that radical reformation was necessary, what was more reasonable than that the municipality should provide, at the expense of the rich, clean, comfortable living quarters for the workers? The rent tax was overhauled and made highly progressive so that funds would be available for construction. With assistance from the general revenues of the city it was possible to carry on the whole program with only an insignificant amount of borrowing. The accompanying table in schillings (about 14.07 cents in U. S. currency of 1919-1932 standard) gives a comparison of the tax yield and the municipalities' investment.

Year	House Construction Tax	Investment in Housing Facilities
1928	36,193,553	95,564,461
1929	36,403,379	92,307,057
1930	36,257,648	96,488,495
1931	36,385,365	82,424,895
1932	35,800,000	47,795,160
1933	47,000,000	42,072,400

By the end of 1933 the city controlled 66,000 dwellings for the most part apartments. "The largest structure, the Karl Marx Hof, contains 1,382 dwellings and extends along the street for more than a half a mile. . . . A still larger project, planned to ultimately embrace 2,200 dwellings, was begun in 1933." The distribution of all the municipally controlled dwellings in December, 1933 was:

"DWELLINGS OWNED OR DIRECTLY CONTROLLED BY THE CITY OF VIENNA DECEMBER 1933[a]

Type of Structure	Buildings	Dwellings	Business Rooms
Old houses[b]	507	5,596	1,244
Apartment houses[c]	335	53,071	2,100
Suburban cottages (42 groups)[d]	5093	5,492	50
Barracks (three groups)	61	757	12
Emergency buildings	15	287	4
Trust fund properties[e]	93	1,312	294
Total	6,104	66,515	3,704

(a) These data were furnished by the statistical office of the city of Vienna. (b) Privately built, but now municipally owned. (c) Built by the city. (d) Built by the city or by the co-operative groups. (e) Old buildings owned by endowments administered by the city."

As might have been expected, the burghers of Vienna did not accept their financial loss from heavy taxes and their loss of power over their tenants with enthusiasm. It is unfortunate that one of the "most elaborate and carefully thought out" programs of municipal social service of modern times ended in the political upheaval of last February.

W. L. O., Jr.

"Cotton under the Agricultural Adjustment Act" - Henry I. Richards
The Brookings Institution, Washington, D.C. 129 pp. 50¢

"The immediate major objective of the Agricultural Adjustment Administration in its program for cotton is to increase the income and purchasing power to producers, partly by means of relief to them and partly as a means of stimulating general business recovery." Other objectives are to reduce existing surplus stocks of cotton on hand and to readjust production closer to world demand.

Growers were to be given "benefit payments" for all cotton ploughed under, in the form of either a cash payment or a combination partly cash and partly rental, the rental to be in the form of an option to buy, from the Secretary of Agriculture, at 6¢ a pound, all of the estimated cotton ploughed under. These payments, which vary with the estimated cotton yield per acre of the cotton destroyed, were to be made from a fund collected by a processing tax on cotton and compensating taxes on competing products.

The short time objectives of the 1933 program were quite successful, approximately 4,000,000 bales having been ploughed under. This reduction has slightly increased the total value of the 1933 crop harvested. In addition to this, the producers have received somewhere around $112,000,000 in cash rental and benefit payments. The success of future programs is not guaranteed. Voluntary measures may not be sufficient. When the 1933 program was launched, it was too late for growers, either in this country or other countries, to increase plantings in view of an increased price. This may be the reason for the success of the 1933 program.

Surplus stocks have been greatly reduced but are not yet low enough for cotton prices to reach their 1910-1914 purchasing power. In an effort to further improve conditions of cotton growers, a similar program is being carried out for 1934-1935.

D. H. W.

"The Planned Economy of Soviet Russia" - Edward Lamb*
Dorrance & Company, Philadelphia. 193 pp. $1.75

"Before examining the nature of the planned society in the Soviet Union, it would be well to remember that the experimen-

tation is being carried on in a nation which at the time of the 1917 revolution was at least a century behind all other countries in the world, in culture, industry and agriculture. It was a country where the average annual income of the peasant family did not exceed $80." Furthermore, certain rather amazing accomplishments, in a country "starting from scratch," lose some of their stature when compared with America, for instance, where the same accomplishments became facts a number of years ago.

Stalin claimed 93.2% perfection of the first Five Year Plan which ended December 31, 1932. The division of national income for the promotion of this first program indicates along what lines the U.S.S.R. concentrated its efforts: 63.5% was devoted to transportation, industry, agriculture, electric power, plant construction, building of new dwellings, etc.; administration and defense took 11.6%;and social and cultural development,24.9%. The last allotment emphasizes the importance the new regime placed on education from the start, though most of it is "ideological," - that is, saturated with communistic propaganda.

Industrialization was pushed at a rate that, in 1932, gave Russia an output which was 218.5% of its 1928 volume,while America produced but 57% of its 1928 volume. In five years she had risen from fifth to second place in the industrial output of nations. Her wealth increased at the rate of 21.6% per year from 1929 to 1933. It is figured that by the end of the second Five Year Program, only 10% of the national income will have been produced by private industry, so completely has the state taken over control of production.

In this planned society, decentralization was undertaken at the outset,industries being established in the most suitable geographical area and "upon the basis of their closeness to raw materials, power supplies, proximity to probable markets, etc."

The industrial phase of the first plan was expedited at the expense of needed lighter industries and much suffering and hardship for the worker, due to the lack of food caused by unfortunate weather conditions and the failure of the agricultural program. But certain of his living conditions had been bettered through improved housing, educational, and social facilities and the installation of sanitary systems. The attitude of the peasant and worker in 1932,as now,was that of reconciling his disappointment at the lack of certain necessities to the fact that his lot had been improved in many other ways and his future, and that of his children, was promising.

He has seen the production-for-profit system, with its attendant evils that cause economic cycles, done away with, and its place taken by production-for-use. "There is no speculation by non-producers in commodities or private properties on Produce or Stock Exchanges, with the consequent 'variations in values and, therefore, in purchasing power of consumers.'" And unemployment has virtually been "planned" out of existence, at least for many

years to come, since there is a "need for all available labor in the construction and industrialization of the new state." The Russian's rapid adjustment to his new role is seen in the fact that the productivity of labor increased 41% during the first Five Year Plan, which far exceeds the 4.7% rate of increase in the United States from 1920 to 1929.

The abolition of class distinctions has also been accompanied by a "complete equality for all nations and races" which compose the U.S.S.R. Russia boasts that "minor nationalities for the first time in history received aid of the dominant government in actually advancing their cultural development." Religious liberty is guaranteed to all, but the state is vigorously engaged in spreading atheism with the aid of such organizations as the League of Militant Atheists and the Young Communist League.

The cultural and social development of the seven Union Republics in the U.S.S.R. represents the only phase of life that has proceeded under anything like local rule. Foreign affairs and trade, posts and telegraphs, the management of food, finance, and workmen's and peasants' inspection; education, health,social welfare, and even agriculture, are still controlled or supervised by the central executive committee. However, no final plans or policies are formulated until the Gosplan, or Central State Planning Department, has compared the first draft approved by the Party Congress with schemes and suggestions emanating from the workers themselves and based on facts and experience.

Communism stifles private initiative and individualism only when such attributes are used to amass money or goods or to spread doctrines contrary to Soviet principles. Actually, "the education in the arts is more abailable to all Soviet citizens than to our American children-- where education becomes frequently too expensive for even the possible genius to secure." The absence of economic competition allows more time for the pursuit and development of non-material things.

There are no "prisons" in Russia,but rather "Houses of Correction" or "Communes," where the offender is socially rehabilitated amid conditions and with privileges that differ but slightly from those accorded other citizens.

The new Russian social scheme includes hospitalization for all, generally in the form of factory dispensaries; in fact, the factory is the center of many of the entertainment, recreational, and welfare activities of a community. There is social insurance, which protects the worker against loss of income when injured and loss of employment, but the remote possibility of the latter emergency has resulted in a surplus of funds, so that contributions to it are no longer being made.

Mr. Lamb is qualified to present an accurate and impartial view of the new Russia and he appears to have done just that. But the question in this reviewer's mind is whether this new planned

society has really developed a "new Russian," - basically altered his philosophy, nature, and ideals, or whether he is merely enduring the experiment until something better comes along. On this point, it would seem, hinges the success or failure of the U.S.S.R.

M. H.

"She Strives to Conquer (Business Behavior, Opportunities and Job Requirements for Women)" - Frances Maule
Funk & Wagnalls Co., New York. 298 pp. $2.00

The author assumes that "a larger proportion of the failures to make good in business are due . . .to some lack in pleasing personal qualities than to shortcomings in the way of ability and training." Hence, she aims to provide here a book of etiquette to answer the problems of the business girl, and, at the same time, to give practical advice on the choice of suitable vocations.

The book is addressed chiefly to the young woman about to begin a business career. It suggests certain self-analyses to aid those who do not know for what vocation they are best fitted, and describes the opportunities in various fields.

Although no space is devoted to the exceptional difficulty of finding openings at the present time, certain evaluations of recent trends are discussed. One is the preference which employers now display for women workers who are married. Prejudices against married women in the business world were based on fears "that a married woman might not keep her mind on her work as well as a woman devoid of intimate personal ties." This attitude has been replaced by the realization that "the married woman, like the married man, is likely to be a steadier, more reliable worker, better balanced, less difficult to handle, less given to moods and fits of 'temperament.'"

Another new trend is the swing away from preference for the college graduate. "In the present state of the employment situation, the college girl is frequently at a disadvantage when she starts out to look for work, because she has neglected to provide herself with any one business skill that will open the doors of business to her." Executives have come to realize not only that the girl with some practical business training is often worth more to them than the one who has only broad cultural background, but also that the college girl is apt to display certain objectionable traits. Regarding her first small jobs only as stepping-stones, she has no real interest in making herself efficient in them. And she makes women executives aware of her feeling that she should be replacing, rather than assisting, them.

Irrespective of the amount of cultural education one has had, one of the most effective ways for a young woman to prepare for a business career is to master several techniques. "'The

ideal employee of today knows something about many things, rather than everything about some one thing.'" A receptionist may be required to take her turn at the switchboard and typewriter;a dress model may be required to help in work-room or office; the secretary-assistant to a doctor must be a graduate nurse and a bookkeeper as well.

In addition to analyzing types of work and approximate salaries in various vocations, the author notes certain fields which are today under-supplied with efficient specialists. She believes more openings are being created for "workers who have specialized in business research, statistics, the keeping of records, the drawing of graphs and charts"; likewise, for expert shorthand reporters, commercial photographers, and specialists in home economics.

An attitude of optimism pervades the book because the author is concerned only with "average" or "normal" situations. It seems to be her belief that there is a place in the business world, even under present conditions, for every woman who has business ability. Problems of prejudice against women of varying ages, races, creeds, etc., are entirely eliminated. Furthermore, the point of view of the author is primarily metropolitan. Although she advises remaining in one's home town rather than traveling to urban centers in search of employment, she assumes the presence of various opportunities for night courses and specialized training such as are available only in large cities. Nevertheless,the book presents in a wholesome and sensible manner a considerable amount of practical advice.

G. R. W.

EXCERPTS FROM THE NEWS

An increase in relief expenditures in Canada is noted, despite reports of that country's rapid strides towards recovery. For the past three years, an average of more than 1,000,000 have been receiving aid and the per capita cost of relief has risen from $3.70 to $6.03. Together, the Dominion and the Provinces have expended $500,000,000, of which amount the former has been responsible for more than $200,000,000 in addition to $12,500,000 paid out in wheat bonuses. The Canadian Constitution delegates relief expenses to the Provinces, but until recently, the Dominion was contributing a third of the outlay. Now, due to the alleged mis-handling of funds and steadily growing demands, it has reduced its quota to 20% and asked the provinces to shoulder the rest.
(- New York Times, November 18)

Baltimore relief roll records for the last half of October showed that out of 1390 cases closed, 605 had found jobs, while 215 had made financial readjustments. Ineligibility caused 85 to be removed from the list, misrepresentation resulted in 54 cases being dropped, while fraud (other than misrepresentation) caused the dismissal of 6 persons. The numbers of cases closed and of persons getting jobs or readjusting themselves financially have risen steadily since the first of September.
(- Baltimore Sun, November 18)

Federal emergency expenditures for the current year have amounted to $1,314,946,000. Of this total, F.E.R.A. has received $476,391,011; A.A.A., $100,473,975; the Farm Credit Administration, $17,367,442; C.W.A., $9,280,706; Emergency Conservation Work, $151,470,947; Department of Agriculture (relief), $61,018,461; T.V.A., $11,320,393; railroads, $53,558,000. Loans and grants to states, municipalities etc., took $69,692,062; Boulder Canyon projects, $6,681,489; river and harbor work, $72,468,644; subsistence homesteads, $1,817,821; other P. W. A. projects, $127,159,359; Federal Savings and Loan Association, $6,244,031; Emergency Housing, $1,544,439; Reconstruction Corporation, $5,476,871; Federal Deposit Insurance Corporation, $51,725,829; Federal Land Banks, $15,918,282; and Industrial Recovery Administration, $3,759,601.
(- New York Times, November 18)

Expenditures of the R.F.C. up to October 31st had reached $8,415,514,137. This includes disbursements of $706,149,989 to other government agencies and $1,014,575,264 to states for relief purposes. Some $724,988,918 of the grand total has been cancelled, while $1,216,626,965 is still available to borrowers and to banks in the purchase of preferred stock and capital notes.
(- Christian Science Monitor, November 13

Relief funds, to be collected in the form of bond issues, were approved by voters of three states in the recent elections. In New York the amount was $40,000,000; In Illinois it was $30,000,000; while an issue of $54,000,000 in California will be divided, $30,000,000 for world war veterans to enable them to buy homes and farms and $24,000,000 for relief.
(- United States News, November 12)

The P.W.A. program in the future will concentrate on aiding heavy industries rather than dispersing its efforts on small and localized projects, according to an announcement by Secretary Ickes. (- New York Times, November 18)

New York City public works projects now underway represent a financial outlay of $179,538,741 and are providing 1,079,328 man-months of actual employment and twice as much indirect work through the furnishing of materials and equipment. A quarter of a million is also being spent on State projects.
(- American City, November)

Employment in New York State rose in October. The factory index of employment stood at 71.9% or 3.3% above the same month last year, while payrolls increased 5.6%. Employment in New York City registered a 1% rise over figures for September, while wages rose 1.5%. (- New York Times, November 13)

Federal-financed workshops on a much larger scale than before will be promoted by the F.E.R.A. in its drive against unemployment. The jobless will be put to work making shoes, tanning leather, turning out suits and overcoats, producing cotton goods, fashioning building materials for housing repairs, and operating by hand brick-making plants. The products will be distributed among the unemployed. (- New York Times, November 13)

A business ballot of the N.R.A. has been launched by the United States Chamber of Commerce. Voting will be completed in 45 days, leaving ample time for consideration of suggested changes or additions before official expiration of the N.R.A., schedules for next June 16th.
(- Baltimore Sun, November 10)

The N.R.A.'s legality has been upheld in more than 90% of the New Deal cases which have been taken to court. The Litigation Division reports that in the past seven months 129 court actions have been obtained, all but 10 of which have been judged in favor of the Government.
(- United States News, November 12)

The government's housing project apparently has already caused a marked expansion in building operations throughout the country. Dun and Bradstreet reports that building permits for October revealed in increase of 40.9% over September and 42.9% over the total for October 1933, while the normal September-October increase is about 2.5%. For the first ten months of this year there was a gain of 15% over the corresponding period of last year, the total being $299,751,129, compared with $260,738,318 for 1933.
(- Christian Science Monitor, November 13)

F.E.R.A. aid to college students is being provided for 94,331 needy scholars in 1466 institutions, which service requires an expenditure of $1,414,940 a month. (- United States News, November 12)

An increase in payrolls of building industries, amounting to $49,000,000, is reported since the inauguration of the Government's housing program last August. The sales of general merchandise in small towns and rural areas for September were 43% above those for August and 33% above those for September, 1933. The South reported the greatest increase 77%, and the East the smallest-25%. (- Literary Digest, November 9)

A business, industrial, agricultural program of action is to be prepared for the President and the next session of Congress. This program is being sponored by the United States Chamber of Commerce which has appointed its president, Henry I. Harriman, to assume leadership to this scheme, designed to aid Roosevelt's Recovery Program. (- Baltimore Sun, November 17)

The T.V.A. reveals that the establishment of its "model" town of Norris cost approximately $3,500,000. It was built primarily to house workers engaged in construction of the Norris Dam and has accommodations for some 400 families. Following the completion of the Dam, T.V.A. officials expect these people to be absorbed by industries which will locate in the district because of the availability of cheap power. Figures show that the unit cost for each house, including all overhead, ranges from $2845 to $6365 with rents from $12 to $30.38 per month. (- Christian Science Monitor, November 14)

Farm Administration wheat payments to farmers who have complied with the acreage reduction program have totalled $117,727,345 to date.
(- Philadelphia Record, November 18)

"IN MY OPINION".....

"Our experience with the unemployed has shown that most of the unemployed families can make better purchases of necessities than anyone else can make for them." (Karl de Schweinitz, member of the Philadelphia County Relief Board, defending cash relief)

"The very existence of our present social and economic system will become threatened if enough young men, deprived of a chance to fit into it, decide that the time has come for its total overthrow. If I were one of them I'm quite sure that I would not be forever content to have doors slammed in my face. I would become rebellious. I would conclude that the generation now in control had made an unconscionable mess of things and that the time had come for a complete reshuffling of the cards." (B. C. Forbes in the Philadelphia Inquirer of November 13)

"The real enemies of liberty are those ruthless individuals who, by exalting selfishness as a noble expression of personal liberty, strive to defeat the effort of their government to preserve and strengthen the foundations of our economic system, upon which we have built our entire edifice of both economic and political freedom."(Donald B. Richberg, in a radio speech on November 17)

"Increasing imports of foreign products will mean more money for farmers in this country. The only sound way that a creditor nation such as ours can find an outlet at a fair price for its surplus abroad is to import more than it exports. I believe that labor in general is benefited by increased imports." (Secretary Wallace)

"Not many realize that unemployment insurance as such is only adequate to take care of the dips in employment taking place during normal times. Few realize that in a period of such vast unemployment as exists today, unemployment insurance as such can only furnish partial relief, and the great burden in advance of a decided improvement in economic conditions must be taken care of by the government itself."(Samuel Reyburn, chairman of the retail merchants committee for the study of unemployment legislation)

"I want to warn you as solemnly as possible that the danger of attaching public outdoor relief to our American political system is very real. The people now on relief have no interest whatever in fine phrases or moralizing about the dangers of a relief system." (Harry L. Hopkins, in an address before Federation for the Support of Jewish Philanthropic Societies of New York City)

"Under genuinely educational control, we should get over our fear of child labor. Labor and leisure are both necessary experiences for youth." (Arthur E. Morgan, chairman, T.V.A., president of Anitoch College)

"All Americans render lip-service to Democracy, but many have only a lukewarm faith in it. Under the old European monarchies it was quite natural that the nobility and blooded aristocracy should regulate the living and buying habits of the lower classes. Now we have an intellectual aristocracy that would like to perform the same function."(Dr. G.R. Hotchkiss, Professor of Marketing at New York University)

"We have chased the perennial economic delusion of price-fixing for a year, and we have found, each in his own way, that under our constitutional system there can be no effective regulation of production and consumption . . . The country has the most colossal itch for the possession of goods that any country ever knew. . . No - depression did not stifle demand - it starved it to a point where today it is ravenous."(Paul Hollister, Executive Vice President of R. H. Macy & Co.)

"When we shall have come to a form of society which will aim primarily at the promotion of human welfare rather than the piling up of profits, we shall find plenty of work for the 7,000,000 of permanently unemployed in the arts and in the production of the other imperishables."(Frank L. Baker, President, State Teachers College, Milwaukee, Wisconsin)

"We have laid heavy burdens and grave responsibilities upon an administrative service that has been traditionally weak, better adapted to the modest tasks of a rural civilization than to the crushing needs of an urban population at the mercy of an economic system that has got out of hand. A new order in the administrative services, built upon the needs of the present and the future and mindful of the heritage of the past, is, therefore, not merely useful; it has become essential." (Leonard D. White, Commissioner U. S. Civil Service, in an article in the November issue of Fortune entitled: "Toward A New U. S. Civil Service")

"Science as magic still sells extra editions; but science as knowledge, science as technical conquest of industry, science as a factor in the development of man, has become a destructive force so long as the capitalist system exists." (Michael Gold in the Daily Worker of November 21)

AUTHORS

David Lawrence, who wrote "The Last 30 Years of the New Deal" in the United States News of October 22, has been president of that newspaper since 1926. He started his newspaper career in 1910; for two years during Wilson's administration, he served as Associated Press representative in the White House.

Sam A. Lewisohn, who wrote "Unemployment Compensation Again Brought to the Fore" in the New York Times of November 18, is a member of Adolph Lewisohn & Sons, investment bankers, and has been active in philanthropic, economic, and penal work. He is also a writer and speaker on industrial relations and wage problems.

George Young, Jr., who wrote "Sowing a Large Scale Planning Idea" in the New York Times of November 18, is Dean of the College of Architecture at Cornell University, and is a member of the American Institute of Architects.

Walter Lippman, who wrote "The Next Step in the New Deal" in the November American Magazine, is well known as author and editor. Now a special writer for the New York Herald-Tribune and other newspapers, he was formerly assistant editor of The New Republic and editor of the late New York World. He is a member of the American Academy of Political and Social Science.

Robert M. Hutchins, who wrote "Turn High Schools into Peoples Colleges" in the November Journal of the National Education Association, is President of Chicago University.

Frank E. Baker, who wrote "The Arts and Our Economic Problems" in the November Industrial Education Magazine, is an educator of note and is at present President of State Teachers College, Milwaukee, Wisconsin.

John L. Spivak, who wrote "Shady Business in the Red Cross" in the November American Mercury, was at one time foreign correspondent for the International News Service. He has engaged in journalism for many years.

Edward Lamb, who wrote "The Planned Economy in Soviet Russia", is a lawyer from Toledo, Ohio, who has made several visits to Russia and a prolonged study of this new regime.

Leonard D. White, who wrote "Toward a New U. S. Civil Service" in the November Fortune: is a member of the Civil Service Commission. His training for the post includes a lifelong study of public service problems and the role of Professor of Public Administration at the University of Chicago.

ANNOUNCEMENTS OF NEW BOOKS

A Selected Bibliography on Homeless and Transients. Compiled by Richard S. Steinmetz. Distributed by The Homeless and Transient Bureau of the State Emergency Relief Board, Commonwealth of Pennsylvania, Harrisburg, Pa. Pamphlet.

A grouping of source material from books, magazines, pamphlets, and news articles.

Group Treatment for Transients by Robert S. Wilson and Dorothy P. de la Pole. National Association for Travelers Aid and Transient Service, 1270 Sixth Ave., New York. Pamphlet. 155 pp. 75¢

A companion pamphlet to Individualized Service for Transients, published last March by the same organization. A study of treatment applicable to various other types of unemployed persons as well as the transient.

Reconstruction by Harold Macmillan. The Macmillan Company, New York.

A national planning scheme for the British Empire, which has many earmarks of our New Deal.

How You Can Get A Job by Glenn L. Gardiner. Harper & Brothers, New York. $1.50

The advice of an executive to job-seekers.

Reshaping Agriculture by O. W. Willcox. W. W. Norton & Co. 157 pp. $2.00

Advocating plans contrary to those being practiced by the A.A.A.

Government and Business by Ford P. Hall. McGraw-Hill Book Co., New York. $2.50

Federal, State, and municipal control, - past and present.

Government Experimentation in Business by Warren M. Persons. Wiley & Sons, New York. $2.50

A picture of the Government's plunge into business.

America for All: The Commonwealth Plan by Paul Porter. Socialist Party of America, Committee on Education and Research. Pamphlet. 31 pp. 10¢

A thesis on economic planning.

The Choice Before Us by Norman Thomas. The Macmillan Company, New York. $2.50

The socialist leader reviews the social, economic, and political issues of the day, prophecying a choice among catastrophe and a world war, fascism, or some form of socialization.

The Theory of Economic Development by J. A. Schumpeter. Harvard University Press. 255 pp. $3.50

Dealing with profits, capital, credit, interest, and the business cycle.

The New Deal and the Old Philosophy of Government Under the Constitution of the United States by Charles P. Cooper. (Part 1) Cooper Press, Jacksonville, Florida.

Discussing the present trends in national government.

The Open Door at Home by Dr. Charles A. Beard in collaboration with G. H. E. Smith. The Macmillan Company, New York. $3.50

A noted historian offers a policy of government based on nationalism.

Banishing the Ghost of Unemployment by Isaac James Hoover. Meador Publishing Co., Boston. $1.00

Twenty Questions of the Economic Security of the People compiled by the Industrial Department of the Y.M.C.A. National Council. The Association Press. Pamphlet. 84 pp. 25¢

A booklet discussing unemployment compensation, old-age dependency, health insurance, etc.

Children of the New Day by Katherine Glover and Evelyn Dewey.

A manual for child training that takes into account the many changes in economic and social life which the younger generation will have to deal with.

The following books have been received and will be reviewed in later issues:

The New Deal in Canada by Major Eric Harris, Ryerson Press, Toronto, Canada.

Racial Contacts and Social Research by the American Sociological Society. University of Chicago Press, Chicago.

America's Capacity to Consume by Maurice Leven, Harold G. Moulton, and Clark Warburton. Brookings Institution, Washington.

Radburn: A Plan of Living by Robert B. Hudson. American Association for Adult Education, New York City.

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SPECIAL ARTICLE

"What Price Insecurity" - Address by Eric H. Biddle, Executive Director of the Pennsylvania S.E.R.B., before the American Academy of Political and Social Science. Philadelphia, December 7th.

MR. CHAIRMAN, LADIES AND GENTLEMEN: The quest for security has been one of the dominant objectives of mankind since the beginning of time, but during the last two years on my present job I have met an unbelievable number of messiahs who had just solved the problem on the back of an envelope. In consequence, I hasten to assure you that I have no panacea to offer.

On the contrary, I would like to emphasize that the security measures later suggested are proposed with the fullest appreciation that no satisfactory and lasting security can be provided except through manifold economic adjustments.

The disappearance of frontiers at home and abroad, together with the effects of the technological revolution, has had cataclysmic effects upon the economic structure of society. Changes in the very nature of wealth -- the transfer from individual to corporate ownership -- the transition from a simple agricultural, self-contained economy to one of infinite complexity -- these and other changes have transpired in kaleidoscopic manner while a rigid social and economic organization, grounded on the ox-cart days and hallowed by tradition, has failed to permit parallel changes in the forces of adjustment. I would not try your patience by suggesting that there is any simple solution at hand. Indeed I would prefer to question whether a solution can conceivably be found short of the long and painful method of trail and error.

In the meantime, life goes on -- and a shockingly large proportion of the people of this country are suffering unnecessary privation in the midst of plenty. Plan after plan has been discussed to eliminate this condition, but hunger, cold, and dependency occasion the kind of distress that mocks even the most comprehensive five or ten or 100-year plan, no matter how magnificent its scope, nor how beautiful its design. It is to the immediate problem of eliminating want and distress in a land of plenty that these remarks are addressed.

There is probably no instance to be found in the modern industrial world of a country less prepared to face the present depression that in our own country. As the storm clouds gathered in 1930 and 1931, various desperate and abortive efforts were made to provide relief for the growing number of dislodged wage-earners. After it became evident that we were facing complete collapse, Federal relief funds were finally provided in the summer of 1932. Economic conditions continued to grow steadily worse, though even now we find it easy to forget the condition which faced the country in the Spring of 1933 when hastily organized relief administrations sought to stem the tide of growing need

with grossly inadequate funds. In recent months, although the situation has shown a very slight improvement, there has arisen a great hue and cry about the extent of relief expenditures. Considered as an item of the public budget, relief expenditures loom large, but measured against the size of the job, relief funds have never been adequate.

In Pennsylvania today, relief expenditures are averaging less than $35.00 per family of five per month -- and it must be borne in mind that less than one half of the total number of unemployed in the State are on relief. The shortage of relief moneys has made it necessary to place eligibility limits at such a low level as to require applicants to exhaust their small accumulated resources before admitting them to relief. During the year 1933, less than 3% of the national income was expended for relief. During that same period, the relief rolls contained approximately 15% of the population. It is interesting to note further that the relief expenditures in the year 1933 represent less than 3% of the decrease in the annual national income of 1933 as compared with 1929.

Much has been said about the cost of security measures; but little has been said about the cost of insecurity. Occasionally a voice has been raised in protest against the intangible but indisputable costs of idle plants and men, only to be drowned by the chorus of despair at the amount of the expenditures. These costs -- this waste -- will not appear on any balance sheet. They are, none the less, factors in the final reckoning that society must pay for its failure to use them.

The value of goods and services produced last year in the United States was less than one half of that produced in 1929. There is ample evidence of the mal-distribution of income which drives the preponderant impact of this loss to the bottom of the economic scale -- to the salary and wage-earning group -- thus drying up purchasing power, which is the life blood of mass production.

The humanitarian aspects of a condition which denies full and reasonable security of life to large masses of people in the midst of plenty are plain enough. Even if one chooses to disregard that side of the picture, there are other compelling factors which demand attention. The living examples of the growth of the canker which devours the body social when fear-driven masses stampede from one chaotic experiment to another were never before so abundant as now may be found in the industrial countries of the western world today.

Granting that all the complex conditions earlier mentioned seek adjustment on a world-wide basis, the present political organization is on a national basis. Granting also that by no stretch of the imagination is a complete adjustment of all the factors possible in a short space of time, there are at hand means by which we can partially compensate for some of the disastrous results of this mal-adjustment.

In respect to the problem faced in America, certainly there must be agreement on certain premises before these adjustments may be found. With reference to the cost of security measures, can this country afford insecurity?

Would you agree to the proposition that the bountiful resources of America -- human, natural, and mechanical -- will provide at the very minimum a decent living in sickness and in health, and a competence in old age for all?

Would you agree that a large part of the plant and equipment of the country is today eating off its head in idleness, while millions clamor for the opportunity to work in order that they may earn the wages and salaries necessary to purchase those products?

If you will agree to these propositions, then you have agreed that the real waste of the depression lies in the failure to make use of human and natural resources.

It is dangerous to generalize about large groups of people, but as I see it, there are two major groups in the United States today who are dependent on the collective action of society for support.

First, there is the potential wage-earner whose difficulties can be summed up by stating that he needs a job to provide security for himself and his dependents. He and his family also need protection against the hazards of accident, illness, and against impoverishment in old age. He wants to work in order to earn, and his earnings are a vital part of that purchasing power that society needs if full use is to be made of its resources. He represents a cross-section of American life. He may be ambitious or shiftless, skillful or inept, but he is the "run-of-the-mine." His name is Legion and he neither needs nor wants to be a subject for social case work. This group comprises probably 80% of the number on relief today and vastly more than 80% of the unemployed.

The second group is relatively small. It is composed of the chronic indigent, the mal-adjusted individual, the unemployable, and other special groups which might be classed as falling within the province of the public or private social agency. It is the latter group which is, properly speaking, the relief problem of this country.

It is apparent that no complete plan can be devised at this time which will completely meet the situation. But I should like to indicate certain general principles which should guide in the development of any security program worthy of the name.

Times change, and we can today find active support coming from unexpected quarters for the proposition that it is the obligation of government to provide security. In a recent publication of Walter Lippmann, he said the following: ". . . There are rights of personal liberty, rights of political participation, rights

of property, rights of local self-government. To these rights we must add, I believe, the right of access to remunerative work.

"The organization of this right requires the overcoming of technical, administrative, and financial difficulties. But there is no reason to think they are insuperable. The essential principle is to have on hand at all times varied projects of useful public work on which any citizen may find employment when he needs it. The possibilities of useful public work are really inexhaustible. There is no end to what can be done in any nation to conserve its natural resources and develop them, to drain and reclaim its swamps and its deserts, to reconstruct cities and rural districts for the sake of health, beauty, and convenience. The Citizens Conservation Corps, and the Civil Works Administration, hastily improvised as they were, and open to many criticisms in the details of their administration, have demonstrated, I believe, that the policy is practicable and sound. It is not the poverty of the public treasury but poverty of the public imagination which creates the real difficulties here; that, and a misguided and over-sophisticated commercialism, which identifies all productive effort with the immediate price in the market place. I am no enemy of the price system as the main regulator of production. These lectures have been a defense of the essential principles of that system. But there is such a thing as working for future use rather than for present sales, and the public works I have in mind have this character. A nation cannot impoverish itself by employing its labor to improve its resources and its equipment. It is not production but idleness, -- it is unused materials and unused men -- that are in the long run intolerably expensive."

If we can subscribe to the principle that the opportunity to work is a right which society owes to the individual, then I think we should also admit the corollary that if society fails to provide employment it must then provide security through direct cash payments. Therefore, as to the first group above referred to -- the salary and wage-earning group -- I would urge a combination of what has recently been described as the "Job Assurance Plan" and unemployment insurance. As a part of the plan, government would provide real employment on public works to the greatest possible number of workers unemployed in industry at any time.

The program of public works would be such as to produce the greatest possible return to the community. It would not be wasteful and trivial "made-work." Workers would be selected by a highly developed public employment service operating under strict civil service standards. Selection for employment would be solely on the basis of ability. In the event that employment should not be available for the worker either in industry or on public works, then, after a reasonable waiting period, the worker would be entitled to cash benefits sufficient to provide for at least a minimum subsistence.

Under this plan, the Government would insure the worker a minimum degree of security. The worker for his part would be

under obligation to accept suitable employment as it should become available. Subject to the continuous fulfillment of this condition, I would urge the ultimate elimination of a "means" test on the part of the worker at any point during involuntary unemployment.

I believe there are ample reasons for a small contribution on the part of the worker towards the cost of security insurance. The balance of payments should be (1) A charge against industry; (2) The greater portion of the contribution should be raised in the form of income taxes.

I do not see how the proposition that any employer or group of employers can control conditions of unemployment in any significant degree can be defended seriously. If we can admit that the responsibility for unemployment is a general responsibility of society, then those members of society best able should pay the bill in the form of income taxes. I believe that the payments of both employer and employee should be kept stable over a considerable period of time and that the payments by the Government be regarded as equalizing payments. The equalizing payments are necessary to provide security not for a limited period, as is often advocated, but until employment is provided.

As to the second group -- the group we have described as the concern of the public or private relief agency; namely, the chronic indigent, the mal-adjusted individual, and the group whose problem is not solely economic need -- this is the genuine relief load. Problems to be found in this group are many -- they can only be met on an individual basis.

Much needs to be done about this group. There will be work projects, yes -- but work developed for its therapeutic effects and not with a view to output. As has been said, the total number in this group is relatively small. None the less, it is at this point that some of the most necessary adjustments of modern society are to be encountered. It is within this group, by the way, that we find some of the real costs of our gross negligence in the matter of social security.

Lest I have created the impression that I am laboring under the delusion that the simple division of the groups described above is an end-all of adjustment, let me again emphasize this: I am conscious of the fact that the many problems to be met in the case of stranded communities, over-crowded industrial areas -- and many kindred matters -- are not forgotten. These matters are part of the long-range consideration, while the immediate relief problem must be met where it is and under general conditions as they now exist. The program outlined here today is not offered as a complete solution but only as a first step toward an ultimate solution.

The revival of industry, of international trade, the stabilization of production, the further development of natural resources, all of these and many other strands form the warp and woof of the pattern which must be reckoned with in the long run -- but hunger will not wait, and human endurance has its limits.

ARTICLES

"Social Insurance Comes to the Fore" - Abraham Epstein
The New Republic. November 21. 2600 words.

In this article Mr. Epstein sketches the major principles of social insurance, claiming that its chief benefit to capitalist society lies in cushioning depressions and in maintaining wage levels and the self-respect of workers.

In social insurance the splendid instrumentality of insurance finds its fullest realization. By a wide-spread distribution of fire or death risks an insurance company is able to guarantee full protection to its policy holders on the actuarial principle that neither all homes burn nor all men die at the same time. Through the common sharing of a common risk, the unfortunate receive immediate assistance while the rest of us willingly bear the small cost for the sake of our own security.

Social insurance is designed to overcome the handicaps that make it impossible for private companies to protect the incomes of workers. It does this, first, by distributing the risk over the widest possible number of workers throughout a state, or, preferably, a nation. Second, by setting up a unified obligatory system, it eliminates the exorbitant costs of solicitation and the excessive salaries of private-insurance officials. Third, social insurance distributes the costs on an equitable basis among as many elements of society as possible so as to enable the wage earners to obtain adequate protection.

An intelligent plan of social insurance aiming at stability and adequacy seeks to divide the costs equitably among employers, employees, and the government. Employers should contribute because this protection is a legitimate charge upon production. Direct employee contributions cannot be defended in theory, but it is practical wisdom to encourage them for the beneficial psychological effect, for the sake of better administration, and for the more adequate benefits they make possible. The government must directly participate in the costs of insurance and also, through the instrumentality of the insurance administration, aid those who, through no fault of their own, exhaust the necessarily limited benefits made possible under the insurance plan.

Governmental participation is inevitable. Since a government's burden is even heavier without such insurance benefits, it is legitimate to integrate relief and social insurance in one plan. The author favors the federal subsidy system as the most feasible and practicable at this time because all dangers of constitutional nullification are eliminated under this plan and because the New Deal has the power to provide for an adequate subsidy at once.

Mr. Epstein states that the responsibility of initiating a constructive social-insurance program lies squarely upon the shoulders of the President's Committee on Economic Security and pleads for favorable action on a sound program which should be made public at once to allow discussion before Congress acts.

S. M. G.

"Plans for Old-Age Security Studied as a Leading Issue" - Barbara N. Armstrong*. New York Times. December 2. 2400 words.

"In Europe, on the one side, in Australasia on the other, old age presents no economic problem to most workers. In the United States, in contrast, many workers can escape such a problem only by dying before their period of superannuation sets in."

Old age security was advocated in Belgium, France, and Italy about the middle of the nineteenth century. Voluntary old age and invalidity funds were set up and offered to the working population for the purchase of small old age annuities. The voluntary methods, even when government subsidies were added, did not induce many workers to provide for themselves.

The author traces the changes and developments in the various countries to the present time. There are now 21 countries which assure the worker a secure, independent old age through contributory insurance. In half a dozen other countries, by a non-contributory plan, the state provides a gratuitous pension where the aged person has insufficient income for self-support.

In many countries there has been a shift in recent years from the gratuitous pension to the contributory type. However, in France and England, where such change has recently been made, small residual groups of needy aged are provided for from the funds of the higher income and other uninsured economic groups. In practically all countries adopting compulsory plans, the government, the employer, and the employee all contribute. British old age insurance is based on uniform contribution, and uniform pensions, while most other European Countries relate both the contributions and the pensions to the wages of the insured worker. In practically every country these measures have functioned adequately during the depression.

In the United States, it is still basically assumed that each person should finance his own old age, yet provision for this by thrifty saving has become a practical impossibility for the average worker. "Economic old age as well as physiological old age is on the increase. There are 6,500,000 persons in the United States over 65 years of age. The number of these persons unable to support themselves, or who are in need, is not definitely known but has been estimated at 50%.

"To turn from the imposing picture of old-age security provision in the rest of the Western World to the situation in the

United States is to turn to a picture dominantly characterized by utter neglect." Thirty years ago, several state commissions began to investigate the plight of the aged and many fraternal organizations began to press for legislation to aid the needy ones. Institutional aid for the aged was provided but this proved to be inadequate and costly.

Up to July, 1934, 28 states and 2 territories had passed legislation providing "old age assistance or relief" to needy citizens of long residence and without financially competent relatives. However, in many states the amount of money granted is small, and frequently does not provide for all those eligible. Due to the stress of the present times, in some states benefits have been curtailed, new pensioners refused or placed on a waiting list, or the system discontinued altogether.

Although these statutes have enabled more than 100,000 destitute old people to escape the almshouse, they emphasize the fact that the pension is relief of destitution rather than security in old age. The author suggests that "larger old age pensions granted as a right merely on arrival at a certain age are only possible through contributory old age insurance by which the insured person builds for a secure old age on a standard compatible with his customary standard of living."

H. G. M.

"Unemployment Insurance Impairs the Economic Fabric"
Christian Science Monitor. November 30. 900 words.

Unemployment insurance will not solve the problem of unemployment during the depression, declares the National Industrial Conference Board after an examination of the British insurance of this type from 1911 to June 28, 1934. Further, this Board advocates the formation of a government-sponsored, fact-finding group, including among its members representatives of labor, industry, state and local government, and the public at large, to thoroughly study the situation.

The British Unemployment Insurance Fund showed a favorable balance of receipts over expenses for the first eight years of its existence. Then in August, 1921, a deficit began accumulating until, by March 31, 1934, the Fund was in debt 115,000,000 pounds sterling. One factor responsible for this great increase in liabilities was the shrinkage in contributions of employers and employees during the depression. In 1927-28, they accounted for 72% of all expenditures, but only 27% in 1931-32, and only 39% in 1933-34. Thus, from 1921-22 to 1933-34, employers and employees were responsible for less than half of the total payments disbursed by the Fund, the Government making up the difference.

The Board reached the following conclusions:

"(1) Unemployment insurance is not a remedy for depressional unemployment.

"(2) Seasonal and casual unemployment tends to become permanent, as a result of statutory unemployment relief.

"(3) Chronic unemployment, due to permanent loss of trade, must be dealt with by other measures than unemployment insurance.

"(4) Without an efficient and honest administrative force, unemployment insurance has no chance of success.

"(5) Any scheme of unemployment insurance must be accompanied by a plan of unemployment relief for the workers who lose their right to insurance benefits, or who cannot qualify for the receipt of benefit, and for workers in uninsured occupations.

"(6) If unemployment insurance is not supplemented by a scheme of relief, the temptation to extend statutory benefits to persons who are not qualified under the law is irrestible, making it impossible to avoid political raids on the unemployment Fund until the state of national finances becomes so critical as to threaten the solvency of the nation.

"(7) If unemployment insurance is uniformly applied to all types of unemployment, it impairs the elasticity of the economic system.

"(8) If unemployment insurance is not based on an accurate knowledge of the facts of unemployment, it will be abused, both by workers and by employers."

M. H.

"British Health-Insurance System" - Estelle M. Stewart
Monthly Labor Review. October. 5200 words.

Great Britain has had compulsory contributory health insurance since 1912 for manual and non-manual workers between the ages of 16 and 65 with annual incomes of not more than 250 pounds (approximately $1250). There have been changes and modifications made in the original act, but it remains basically the same. In 1925 the contributory pension plan was made part of the national system, the contributions being divided between the two funds. The health insurance covers medical care, illness, and invalidity for the workers.

Contributions are obtained from three sources: employee, employer, and the Government. The Government pays 1/7 of the men's and 1/5 of the women's benefit costs and all administrative costs. The employees' and employers' shares go to the general fund. Contributions, benefits, and pensions are flat rates and "not conditioned upon or adjusted to either wage rates or age."

Doctors and pharmacists are selected by administrative bodies known as the Panel Committees and Pharmaceutical Committees. These doctors and pharmacists carry on their private practices as well as their insurance activities.

"Although primarily a compulsory system, the national health insurance scheme permits contributions from certain persons not compulsorily covered. A voluntary contributor pays the full amount of the combined health and insurance pension contribution, both the employer's part and that of the employed contributor. If his total income exceeds 250 pounds he is not entitled to medical benefit, although he receives other benefits on the same terms as compulsory contributors."

That the health insurance plan cares for the majority of Great Britain's workers is shown by the statistics for 1933, the grand total of insured workers for England, Scotland, and Wales being 18,941,300.

A. E.

"Dismissal Compensation in American Industry" - Everett D. Hawkins
Monthly Labor Review. November. 2500 words.

"Two hundred and twelve companies in this country have been reported as paying dismissal compensation at some time before April, 1934. These firms, together with their subsidiaries, normally employed before the depression between $2\frac{1}{4}$ and $2\frac{1}{2}$ million men. . . On the basis of actual reports and a conservative estimate of the amount of compensation in relation to the terms of the particular plans, over $8\frac{1}{2}$ million dollars have been paid to these 80,000 employees permanently laid off."

These 212 companies have used 221 dismissal-compensation plans. This does not necessarily mean a change in procedure, but rather that certain companies use two schemes to meet different situations, - perhaps one for salaried employees and one for wage earners.

In 182 plans used by 175 firms, about 30% provide for small payments ranging from a few days' pay to two weeks' wages; another 15% have no definite eligibility requirements or scales of compensation. Over half of the plans may be classed as formal plans, since they have definite rules and provide for all contingencies. More than one fifth of the plans have been adopted as standard procedure and meet all dismissal contingencies.

Public utilities, department stores, oil refiners, paper manufacturers, and financial institutions, all of the larger type, lead the list of those using the formal set-up. Food and meat packers, textile, chemical and drug, and machinery manufacturers are more apt to use the informal type.

Small plants very seldom use the dismissal compensation system. Nine large corporations employed over 50% of the total number of employees considered in the 212 plants. The median number of employees in those plants considered is 2553 with an average of 11,912.

Not all of the employees normally employed by the 212 firms are eligible for compensation. Most plans have limiting factors, such as class of employment, length of service, reason for termination, age, etc. Usually no payment is made for voluntary leaving, discharge for cause,or for temporary lay-off. As a rule, service requirements are higher for wage earners than for salaried employees. Of 182 plans giving definite information, 60.4% include all employees, 7.2% cover only wage earners, and 32.4% cover only salaried employees.

In this study, most companies hesitated to make a statement of the amount paid in dismissal compensation. For 60 companies compensating 81,434 workers to the amount of $8,819,652.81, the average per worker was $108.30. When workers of long service are let go, their compensation is usually higher. In some companies, cuts were made in the scale of compensation due to the depression. As a rule, the amount is figured by allowing one week's pay for each year of service;this is the model rule for payments. Some firms have adopted service-class rule,such as the following:

Service of:	Pay for:
Less than 2 years	2 weeks
2 to 5 "	3 "
6 to 10 "	4 "
11 to 15 "	6 "
16 to 20 "	12 "

More firms use service-class plans of compensation than service rules or formulas. Some firms give equal payments to all workers, but in these cases the sums are quite small.

Dismissal compensation has been financed largely on the"pay as you go" basis. The commonest plan is to include the dismissal payments in the regular wage account for each particular department. More than 70% of the plans studied debit the department dismissing the employee, while the other plans charge the payments to general operation or special funds.

Some firms favor a lump sum payment, others periodic payments. In studying 94 companies which give medium or large payments, it was found that 33.3% use both methods; 42.9% the lump sum method; and 23.8% periodic payments.

The depression greatly increased the growth of plans. In 1929,companies aimed to help those employees who had been squeezed out by mergers, etc. Many informal plans were made formal; some firms increased their coverage to include hourly wage workers; most new plans compensated all classes of employees. Some plans raised service requirements, but all new plans raised the scale of compensation. Since many of the plans were put into effect after the depression started, they were adopted only after careful consideration of their cost in relation to the financial standing of the company.

Unless some plan for unemployment protection becomes law, some companies will be forced to cut dismissal payments just as they have reduced other types of benefits.

T. L. P.

"That 'Dole' Concession" - The Earl of Kinnoull
Labour. August. 1000 words.

In 1931 all Government benefits in England were reduced 10%. Recently 5% of that cut was restored. At the time of the cut, the "Old Means Test, requiring the total income of a household to be given in order to ascertain a man's need(the same Test that is required under the Poor Law Acts),was imposed on all applicants for Transitional Payments." Under such arrangement, it often happens that those in power will decide that some of the applicants are not in need of help, and so they are refused the "Dole."

An unemployed worker is taken care of by his insurance society for a period of 26 weeks. After that period, he applies for Transitional Payment (or "Dole"). Before receiving it, he is subjected to most unjust investigation, according to the Earl of Kinnoull, and does not receive adequate relief even though he should eventually get Transitional Payment. The author feels that there should be no discrimination between unemployed workers out of work for a short period and those unemployed for longer periods of time.

A. E.

"From Insurance Back to the Poor Law" - Arthur Greenwood
Labour. September. 1400 words.

The Minister of Labor, in supporting the National Government's Unemployed Insurance Bill recently approved by the British Commons, declared it to be the most far reaching social legislation in many generations. Mr. Arthur Greenwood, M. P., thinks otherwise. He states that the structure of the statute remains what it was and therefore no progress has been attained,but on the other hand it denotes a step backward from insurance to the poor law. The Act makes no real improvement in the system of unemployment insurance. The Government was more concerned with the maintenance of the financial position of the Unemployment Fund and the perpetuation of the Poor Law Means Test and all that it implies for unemployed workers who are not eligible for statutory benefits. Britain has weathered the economic crisis at the cost of hardships imposed upon her unemployed.

The "New Unemployment Insurance Act" is divided into two parts. The first part deals with insured persons eligible for unemployment insurance benefits; the second, with assistance to unemployed workers whether within the scope of the Unemployment Act or not.

Part One of the Act does not extend to new classes of workers, but the Statutory Commission, whose primary function is to make the Unemployment Fund solvent, is instructed to prepare a scheme whereby the agriculture workers will be included. The Commission may also submit proposals for the inclusion of other bodies of workers. Young people, on leaving school, are to be included and to pay contributions but are not eligible to obtain benefits until they have reached the age of 16. Where the parent is unemployed dependents' allowances will be paid for these children.

Part Two of the Act deals with uninsured as well as insured workers who are ineligible for benefits under the provisions of Part One. When transitional payments come to an end, unemployment assistance takes its place and payments are made by the Unemployment Assistance Board. This Board in effect will be "a new centralized Poor Law Authority." The allowance to be paid will depend upon the needs of the applicant. In ascertaining his needs, all his resources will be taken into account. Mr. Greenwood resents the fact that the unemployed are to be subjected to personal means tests which extend into their families and households.

In addition to providing unemployment assistance, the Board may provide training courses for adults. Part One requires local educational authorities to submit proposals for courses of instructions for unemployed workers under 18, part of the cost to be paid out of the Unemployment Fund.

The Act also makes provisions for cases of "special difficulty." This implies that allowances are dependent upon the applicant's attending work centers or going to the work house.

The Act retains the existing 26 weeks statutory benefit per year. Workers with good records may have their benefits extended.

W. F.

"England Trains Jobless Youth" - Mrs. Margaret Wintrington
School Life. November. 1250 words.

Besides dealing with the main theme of Insurance, the new Employment Act in England has made special provisions for workers between the ages of fourteen and eighteen. The school-leaving age in England is fourteen and until last month the age of compulsory insurance was sixteen. Boys and girls are now required to be insured upon leaving school. They receive an unemployment book, stamped the same as an adult worker's. The value of a stamp is one shilling, twopence a week, half of which may be deducted by their employers from wages. This rate applies only to workers between the ages of 14-18.

The most important part of this new Act is the fact that

provision is made for the children in the form of continuation schools and classes for part time workers. These Junior Instruction Centers are under the supervision of local school authorities. When the Minister of Labor has approved the proposals of these local authorities, 75% of the expense is provided by Governmental grants. No expense is borne by the students. Fifteen hours a week for part time workers and full time for unemployed boys and girls is the required attendance; insurance benefits can be given only to those showing evidence of such attendance.

These Instruction Centers pay particular attention to vocational education, although general education is not neglected. "The object of the J.I.C. is to prevent demoralization and also to facilitate absorption in unemployment by maintaining habits of work, and to create interests that are worthwhile and keep the young in touch with the best means of obtaining suitable work."

In all probability, most of the educationalists will continue to press for the raising of the school-leaving age, but it is a great satisfaction to know that in the meantime no unemployed boy or girl now need to be without occupation or without hope.

V. H. G.

"Let Them Sample Their Life Jobs" - M. K. Wisehart
Good Housekeeping. November. 3000 words.

The little town of Carmel, New York, is the first community in the United States to put into practical application vocational analysis, which consists of analyzing the physical and mental make-up of boys and girls of high school age. A group of men and women with keen insight and understanding attempt to discover the natural bent of the children and, with the cooperation of the business and professional men and women of the town, make arrangements to give the boys and girls actual experience in the work of their choice. The author cites a number of histories that show there are some errors of judgment in the vocational analyses but the majority of the cases prove the worth of the Vocational Research Bureau.

"Furthermore, the plan is the one well-directed movement that is known of which aims to eliminate the hazards that are inherent in a boy's casual selection of a vocation. It is expected that eventually this plan will reduce by from 60 to 80 per cent the number of vocational misfits among the graduates of high school and college."

A community adopting this plan is undoubtedly giving its young folks a real opportunity to train for a vocation suited to their abilities.

A. E.

"Education For A New Society" - Arthur E. Morgan*
The Journal of the National Education Association. November.
3300 words.

This country must choose between two policies. Shall our surplus of wealth and our capacity for producing more of it be hoarded or unevenly distributed, thereby denying a large portion of our people proper educational facilities and standards of living; or shall it be used as a means of providing people with opportunities for the fullest development of their talents and personality? Such is the educational issue now facing us.

"It is pointed out that we have come upon new conditions, that there are no longer jobs enough to go around, that there is an over-supply of educated men, that perhaps high school education should be at the expense of parents, that perhaps industry and not the schools should train its workers, and that the American doctrine of equality of educational opportunity must be abandoned." These conditions indicate a conflict between the doctrines of American education and our present economic set-up.

A program of vocational education should be launched to correct these evils, to develop our resources for the benefit of the greatest number. "Sound liberal education for everyone is the only path to wholesome and stable culture in an economy of great surpluses."

This means continuing and improving vocational guidance and education; devising emergency programs for those suffering from unemployment; divorcing educational opportunity from the effects or control of economic conditions; including the "development of discrimination and appreciation, that is, education for consumption," in our vocational program, thereby providing increased wisdom in purchasing, which means raising the capacity for earning. "There are definite limitations to our ability to consume profitably basic economic goods and services," but the raising of our tastes and standards will create demands for new products.

For vocational training to be taken over by industries themselves would be a bad move, narrowing the skill and ability of a person, denying him broad education and development. "The total life interests of the child and those of society as a whole, on the one hand, and the immediate economic interests of industry on the other, are strikingly in conflict." Vocational training must concern itself with a wider and more extensive development of abilities rather than narrowly trained individuals "who become obsolete and public charges when their particular skills are eliminated by technical changes."

To bridge over the present economic gap, Mr. Morgan favors formation of "independent economic units all over the country, teaching the unemployed to produce what they can and to exchange with each other." We must learn to think in terms of distribution rather than in terms of profit.

Under the present system we may experience a sudden flurry of prosperity when the necessary replenishment of goods will mean jobs for all. But it would not last, and inadequate distribution would again cause our downfall. A cure would include a program of shortened days and weeks of work and a more even distribution of work; extending rather than shortening the school period, during which time pupils would be drilled in the skill and ability to work at the same time they are pursuing academic subjects; and "cooperation between school and industry in developing stamina and workmanship in young people."

M. H.

"Educating for Tomorrow" - G. T. Hicks*
Education. November. 1700 words.

"That we are living in the age of Henry Ford and teaching in the age of the village blacksmith is a criticism sometimes made of our schools . . . Today boys and girls must be taught not what but how to think." Only then can they make the proper adjustments demanded of the changing social order or aid in directing these changes. There must be a transformation in method and emphasis in education. The "Three R" system is ready for the ash heap. It was suitable when "the majority lived on farms, 70% of the population was engaged in agriculture, most of the food was produced at home, marriage was permanent, ideals were taught at home. Today, the majority live in cities, 75% of the population is engaged in something other than agriculture, most of the food is purchased, one out of every 7 marriages ends in divorce, economic conditions separate parents and children, and the teaching of ideals is left largely to some agency outside of the home."

A survey of the needs of present high school pupils unearthed the following answers: "(1) we need the right kind of guidance; (2) we need civic and social responsibility; (3) we need vocational training; (4) we need a greater emphasis placed on moral and ethical character."

If "history repeats itself," this means "that all the experiences of the past, all the effort for intelligent and practical solution of national, economic, and social problems have been for naught." If this axiom is not true, then history should be a subject that furnishes students with problems and solutions of the past that can be applied to the present.

Considering the third need brought out by the survey, it has been estimated"that in normal times 75% to 90% of all workers are vocational misfits . . . Before the Revolutionary War there were 12 leading vocations. Today there are 30,000; 75% of these were unknown 25 years ago." The high-school must help their charges analyze various occupations and compare them with their own abilities and aptitudes.

That moral and ethical values are not sufficiently stressed today is indicated by the fact "that 9¢ is spent per capita on character training and $450 per capita for crime." Especially should these values be adequately considered when training students in the use of leisure, for it is in such periods that persons reveal their true natures and the results of their education.

M. H.

"The Rise of Social Work" - Mary E. Hurlbutt*
Annals of The American Academy of Political and Social Science.
November. 6000 words.

Every profession has its traditions, its body of doctrine, special terms, and history. Much has been written on the history of law, the history of medicine, etc., but until very recently little has been done with the vocation that has come to be known as "social work." This is probably due in a large measure to the indefiniteness of the concept itself, the field of activities included, and the specific scientific methods involved. Miss Hurlbutt marks off the social worker as one who "perceives the life of each social unit, be it individual or group, as an organization of vital forces moving deviously towards the realization of its own purposes, yet bound by innumerable ties to the society surrounding it. The social worker is interested in the particular way these life forces interact in any one individual or community." She feels that some might object to this definition as being too general but defends it on the grounds that it is considerably better than earlier attempts.

Originally, social work was definitely tied up with the problem of poverty and was little more than an attempt to make almsgiving more scientific. As the author points out, "A candid reading of the records also suggests that when in the nineteenth century social work emerged as an organized vocation, it was largely at the behest of an urban class growing increasingly prosperous and concerned to protect both the system so advantageous to itself and its own peace of mind against the obscure menace of pauperism and widespread destitution. It is from a society tolerating permanent economic distinctions that social work has inherited much of its vocabulary."

To properly appreciate the rise of social work it is necessary to view it in the light of "the slow and irregular course of community consciousness, of the strange association of cultural traits that have through the centuries been twisted into society's concept of the individual." In mediaeval Europe the church had a network of charitable institutions and had indelibly impressed the importance of almsgiving to the point where community responsibility had been somewhat diluted and charity had been relegated to a special code. This importance of almsgiving was not, as is often assumed, due solely to the influence of Christianity, since the leaders of the early church had grown up in the

class-conscious civilizations of classical antiquity where palliative measures for mass relief were common.

For the background of American welfare institutions we must go to the institutions of early England which by the seventeenth century had come to be saturated with upper class ideology. The author quotes the following from Gilbert Slater's Poverty and the State: "'When the Civil War had taught thinking Englishmen to distrust religious dogmatism and rancor, an age of religious lukewarmness and of rationalism set in, all public action was dominated by an aristocratic assumption that the social community consisted of property owners only and that the condition of the rest of the population mattered only in so far as it affected the comfort and happiness of the upper classes.'" And adds: "Within the next hundred years the successive theories of such distinguished scientists as Adam Smith, Malthus, and Herbert Spencer fortified the aloofness of the aristocracy as well as of the rising business class by providing the necessary theoretical basis for their indifference to the life of the masses."

Naturally the American frontier took some of the aloofness out of this, but in the seaboard cities it took welfare work generations to lose this upper class viewpoint.

The growth of social science in the nineteenth century and the liberalizing influence of Rosseau's romantic philosophy helped to change "social work." Furthermore, every reform in England had its repercussion. Nevertheless, the prejudices of the early days still lurk in the public's mind and stalk across the pages of the statute books. As Dr. Malthus said, "'Hard as it may appear in individual instances, dependent poverty must be held disgraceful. Such a stimulus seems to be absolutely necessary to promote the happiness of the great mass of mankind.'"

The pioneers in this country were the great Unitarians, William Ellerly Channing and Joseph Tuckerman and of course Dorothea Dix, but it was not until about 1874 that the problems were recognized as important enough nationally to convene the National Conference of Charities and Correction. After that Social Work as a profession moved forward swiftly. In 1917 Mary Richmond published Social Diagnosis which "'offered a unified basis of point of view and procedure to all fields of social case work'" and as Social Work entered the second decade of the twentieth century another "major milestone" was passed - the formation of the American Association of Social Workers.

In conclusion, Miss Hurlbutt says: "Thus from many directions and through many channels the experiments of Social Work were converging towards a common body of principles and practices, even before the present economic depression. The major problems of Social Work today probably center around the relations it will have to the changing social order."

W. E. O., Jr.

"The Decay of Self-Reliance" - Newton D. Baker
Atlantic Monthly. December. 5000 words.

"It used to be an axiom that the whole purpose of social and political organizations was to protect the individual and so, by freeing each to develop to his highest capacity, multiply the varieties of men and capture for the common good the achievements of the most imaginative and valiant persons. . . Have we changed all this, and if so, why and how?"

Mr. Baker sees an alarming trend in the other direction, which is being intensified and magnified through the Government's necessity of supporting great numbers of citizens. This form of relief is "dangerous and debilitating. It becomes at once a right and those to whom it is given,both individually and collectively, devote themselves to preserving and extending the right." Forming into groups, they then proceed to make further demands beyond the bare necessities, "sometimes drawing up bride's budgets of the things deemed indispensable in a satisfactory relief scheme." The harmful effects of such efforts are not in the things they ask for, but that they "are devoting their time and ingenuity to ways of bringing pressure to bear to get without effort, the things they obviously ought to have and are correspondingly withdrawing their efforts to devise ways of getting them by working for them."

The spirit in which Government relief is received by many of the unemployed is indicative of a change in viewpoint, - "that we are coming more and more to regard the State as a legitimate and responsible carrier of all individual, group, and class burdens." This country was founded on the precepts of liberty and equality for all, but we have discovered they represent conflicting aims and must subordinate one to the other. Mr. Baker selects liberty, believing that a society formed on the ideal of equality suppresses "the highest impulses and the finest sacrifices which in the past have purified and strengthened the race." To avoid such a state of affairs, we must preserve our self-reliance, - not be "willing to surrender the adventure of striving . . . content to accept, as the best we can get, a sort of secure equality in a State which does all our planning and thinking and providing for us."

M. H.

"Urges New Federal Relief Policy"
The American City. November. 300 words.

The following plan for a Federal relief program was proposed by Paul V. Betters, Executive Director of the United States Conference of Mayors and of the American Municipal Association, at the recent conference of the International City Managers' Association:

"1. That the 18,000,000 people now on relief be divided

into two general classes - employables and unemployables.

"2. That the National Government take complete responsibility for care of the employables - those able and willing to work - under a work program.

"3. That major emphasis in this work program be given to building low-cost housing.

"4. That cities and states assume complete responsibility for caring for the unemployables - those dependent because of old age or mental or physical defects."

M. H.

"How Will They Get Through the Winter?" -Questions by Henry F. Pringle; answers by Harry L. Hopkins. American Magazine. December. 4000 words.

Mr. Hopkins answers many questions of the type that an inquiring citizen might put to him concerning unemployment and relief. He does not anticipate an increase in the rolls over last winter's total; on the contrary, he would not be surprised to see the load decrease, if only slightly.

Last January and February, it will be remembered, 4,000,000 persons were employed by the C.W.A., while 2,573,555 families were receiving relief, and of this number, 750,000 had a member doing C.W.A. work, but receiving insufficient remuneration to support the family. Approximately one sixth of the country's entire population receives public aid at the present time. This includes 17,025,000 persons, of whom 5,500,000 are sixteen years of age or less.

The destitution of some 400,000 families on relief can be traced to the effects of last summer's drought and is costing from $20,000,000 to $25,000,000 monthly. This money comes out of a fund of $525,000,000 appropriated for drought relief by the last Congress. Exclusive of such disbursements, the F.E.R.A. hands out an average of $100,000,000 a month. Since taking office in May, 1933, Mr. Hopkins has distributed about $1,850,000,000, which included $500,000,000 on hand when he took over his post, $400,000,000 in C.W.A. funds made available in November, 1933; and $950,000,000 designated by Congress, in February, 1934, for C.W.A. and other relief work.

The costs of administration average about eight cents out of every dollar. Answering charges of graft and political interference with the handling of funds, Mr. Hopkins says: "Politicians are one of the least of my worries. I've had more trouble from a few unscrupulous business men. They occasionally try to gyp us when we buy food and other supplies."

Concerning the giving of aid to strikers and their families, he states that the controversies do not enter into the picture; the only question considered is the validity of the strik-

ers' claims for relief--unless the National Labor Relations Board declares the basis of a strike "unreasonable." This policy encourages neither strikes nor strikers, - in fact, has no effect on the situation, one way or another. An estimated $100,000 in relief has probably been received by this class of unfortunates since May, 1933.

An increase in the relief load does not indicate that the Government has been unsuccessful in its fight against unemployment: witness 2,000,000 more people now with jobs than this time a year ago, according to Secretary Perkins' figures. But, "the longer the depression lasts, the higher the percentage of the unemployed on relief rolls." Whereas in 1930, for example, only 10% of those out of work required relief, today the number has risen to around 50%, with the disappearance of savings that enabled many to keep going after losing their jobs. And the other 50% of the idle will become public charges unless "things pick up."

J. R. H., Jr.

"With Hammer and Trowel" - Weiner Hegemann
Survey Graphic. November. 3500 words.

The controversy on re-housing rages on. Shall we build brick houses, frame houses, pre-fabricated houses, two-story, six-story or twelve-story tenements? How do the different houses or buildings compare as to cost per room? Which type of living conditions are conducive to higher morale? Shall we clear the slums or build garden suburbs?

The Old World has had to face this problem in the past. Let us compare and analyze the treatments of the various countries.

In Vienna, five to seven-story apartments have been built under the direction of Dr. Breitner who was subsequently supplanted by Dr. Kampfmeyer, advocate of the "garden city" theory. Dr. Kampfmeyer has since resigned and admitted that his theory was not practical in Vienna. He claims that it was not sound economic considerations which defeated him, but the difficulty of changing the century-old routine of living and building. His activities in Frankfort-on-the-Main have been decidedly more successful. The Mayor of Montevideo, Uruguay, declared himself "eager to copy the Viennese model," while the Mayor of Buenos Aires could see in the tenements "nothing but prisons."

Paris, France, has built several tenements, the best-known of which is the Joan of Arc City Municipal Apartment where a riot occurred last May.

London has built a dozen new garden suburbs. Each home is completely detached and has its own garden. Sweden builds prefabricated two-story houses which can be bought without paying more than tenement rates. One tenth equity is required. This

may be paid in actual labor on the house.

In the lower East Side of New York City, twelve-story tenements are replacing six-story tenements. Population density per acre is being tripled. Mr. F. F. French, promoter of Knickerbocker Village, says: "The high cost of land in lower Manhattan does not render slum clearance impracticable. . . The cost of land is rendered less expensive per room by building twelve or sixteen stories on it rather than six."

The 1933 report of the New York State Board of Housing states: "Commercial practice cannot produce a cheaper room in a twelve-story building than in a six-story building. Actually, the six-story building room is 70¢ per month less."

A study made in New York State by Messrs. Aronoveci, Churchhill, Lescaze, Mayer, and Wright came to a similar conclusion: "Two-story flats permit lowest rental, as the characteristic way of living in them does not demand the complex services required in apartments."

A. T., Jr.

"Uncle Sam, Landlord" - Herbert Corey
New Outlook. November. 4000 words.

Several things come quickly to view in considering the New Deal's much-heralded, seemingly altruistic, seemingly realistic slum-clearance plan. One is that economic law cannot be repealed. Another is that, after all, few slums are to be cleared.

The purpose of the F.E.H.C. was stated by Mr. Ickes in these words: "At last the United States has made a start on a national program to eliminate slums. . . For those whose conditions of employment demand that they live in the more crowded areas we must provide decent and livable apartments at rents within the reach of all."

"A fair average of slum rents is six dollars a month. When tenants are able to pay more, they move out of the slums. That generalization holds good everywhere. Only the most degraded willingly remain in these sties."

And yet not one of the houses to be erected by the F.E.H.C. comes within hailing distance of a six dollar average. Mr. Ickes ran head-on into economic law. Owners of valuable slum land will not sell to him at less than a fair estimate of its worth. He has therefore been compelled to move the scene of his activities from the slums to more distant locations, which may not be preferred residentially but still are far from slums.

Experience has shown that when a slum or near-slum district is cleared up, some of its tenants move over into the poorest

housing accommodations in nearby areas. Often they rent properties which would otherwise remain empty, and in consequence the neighborhood morale and monetary values are depreciated.

There are now thirty-nine F.E.H.C. projects under way. The initial step is, of course, to secure title to the land. This is conducted precisely as real estate companies conduct a similar operation. Agents are sent out to secure options. When 80% to 90% of the needed land has been secured the owners of the remaining plots are called in and asked to surrender. If they refuse, the right of evident domain can be exercised by the Government. Three or four-story walk-up apartments are favored for the crowded centers, with six stories as the maximum height. In cities where land is less costly, semi-fireproof row houses will be erected. In all instances, independent architects compete in drawing the plans, subject to definite limitations of cost and quality. The standard apartment is to be of three rooms, although a few four-room flats are provided.

A. T., Jr.

"Clearance of Slums by P.W.A." - Horatio B. Hackett*
New York Times. October 21. 1800 words.

Uncle Sam not only is solving the problem of a low cost housing program, but also, concurrently, is solving a social problem of prime importance - the wiping out of the worst slum areas, with their toll of misery and economic hazards. The elimination of these is followed by replacement with modern, well built homes and apartments, conducive to safety, comfort, and health of tenants. This means better opportunities for the unfortunate part of our population, as well as physical, mental, and moral progress of society as a whole.

Thirty-nine projects are tenatively underway in thirty-three localities scattered over the country. In Chicago, for instance, the largest land assemblage ever recorded, that of 37 square blocks, is in progress; approximately $12,500,000 will be spent, and about 3000 families provided for.

In assembling sites, American real estate procedure is strictly adhered to. Financing will be carried by amortization over a period of from 33 to 45 years. Architectural plans call for pleasant atmosphere and maximum use of every inch of every building. A staff of consultants scrutinize plans for practical value, economy, and thrift.

It is hoped that the Government's demonstration will spur cities and states to work out further programs of their own. The Government's undertaking will merely scrape the surface. It should, however, prove a stimulus to the building industry and real estate interests.

H. V. L.

"Employment Created During One Year by Public Works"
Monthly Labor Review. October. 1500 words.

The Bureau of Labor Statistics of the United States Department of Labor has compiled a year's record of the employment created on construction projects financed from the Public Works Administration fund. During the 12 months, August, 1933 to July, 1934 inclusive, contracts were awarded totaling nearly $1,500,000,000. Pay rolls for work at the site of the construction projects totaled nearly $200,000,000, while orders were placed for materials costing over $400,000,000. More than 1,100,000 man-months of labor were created in the factories manufacturing this material.

Federal projects are financed by allotments made to the various Federal departments, and include such types of construction as post office buildings; naval vessels; river, harbor, and flood-control work; and reclamation projects.

Non-federal projects include such work as road and street paving, sewerage systems and waterworks, school buildings, public buildings of all kinds, and slum-clearance and housing projects. These construction projects are supervised by a state or political subdivision thereof. The P.W.A. grants 30% of the total cost of non-federal projects and, if necessary, loans the remaining 70%.

In addition, the P.W.A. has financed some construction projects directed by commercial concerns. This work is financed by loans only, which must be repaid within a specified time. Most of these loans have been made to railroad companies, the Division of Transportation Loans of the P.W.A. having nearly $200,000,000 to disburse.

S. M. G.

"Jobs vs. Dole" - Harold L. Ickes
Today. November 17. 3000 words.

Only a few years ago, men disputed the duty of the Federal Government to aid in the relief of unemployment. Today, however, the nation is conscious of the fact that unemployment and the relief of the unemployed are national problems. Until we can arrange our national economy to end unemployment, relief must be provided.

Relief in itself is a palliative; it cannot induce recovery. Our task is to find useful employment for all our people by increasing the interchange of goods and services among them. Our chances of comparative stability apparently lie in the maintenance of a healthy balance between consumption industries which the general public patronizes and the capital goods industries which other industries patronize. Mere relief affects only the consumptive industries. Public works tends to restore a healthy

balance between the capital and consumption industries.

Even if there were no pressing problem of unemployment, there would be a need for a large public works program to safeguard the nation's capital resources and assure our future prosperity. The public works program which began 18 months ago has cleared an enormous amount of ground for an attempt to apply a new public works program to our unemployment problem. What has been accomplished under the old program has been a real stimulus to private industry. The materials used in public works come principally from heavy industries in which there has been the greatest unemployment. In August, 1934, there were more than 800,000 individuals directly employed on public works projects. Their dependents were likewise benefited and removed from the relief rolls.

The financing of public works is a difficult problem inasmuch as these works do not pay for themselves either out of income or out of future savings. They must be paid out of taxes. Work, not unemployment, creates wealth. If business improves, it is easier to pay taxes on an increased income even if rates are raised.

Careful studies of a practical nature are now being made regarding the possibility of a still further enlargement of the public works program in a continued effort to take men from relief and replace them in industry. It is essential to discriminate between work that can be put out promptly and work that requires some months of preparation. The new program must not be discredited in advance by exaggerated expectations that cannot be realized.

A. U. S.

"The B Line to Recovery" - Frank D. Graham*
The Survey. November. 2600 words.

The great bar to any extension of cooperative production is the antagonism of producers and middlemen to any output except through existing channels. The fear that extraordinary production will be at the expense of the restricted markets now open to private business is not justified but it is of paralyzing power. It is futile to point out that new demand can come only through new production; that without the purchasing power that issues from production, the desire for goods cannot be transmitted to the market; that recovery cannot be brought about except by increasing output; and that, so long as entrepreneurs will not produce in advance of orders, the increased orders they wistfully await will be stillborn for lack of the wherewithal to buy.

Mr. Graham presents a program which he hopes will disarm opposition and enlist support. Many manufacturers now turn out substantially identical goods, under different labels, for different strata of demand. He proposes the extension of this practice

until some or all of the producers of every type of consumer's commodities are manufacturing, in addition to their regular output, a B line of goods. To keep these goods from interfering with ordinary markets, they should be produced and sold in exchange for special bank deposits freely transferable but not redeemable in cash. The process would be initiated through a central organization, governmental or private, which would place orders with all factories willing to undertake production under the prescribed conditions. Arrangements having been made with the banks to put the special deposit credits at the disposal of the central organization, payment in advance would be made to producers by check against these credits and all of the producers' expenses for labor and material would in turn be covered in the same manner. The central organization would be repaid when the special deposits return to producers via orders for goods from retailers. Any retailer could stock the B line of goods along with his regular line. These goods, and these goods alone, could not be sold for cash but would be available only to the recipients of the special deposit credits. Thus, the special deposits would be redeemable only in the goods which issued from their creation and they would be extinguished when the circuit was completed. This would both procure the production and provide the means of sale of the commodities involved.

It would cost the banks nothing to put these credits on their books and they would not suffer any drain of cash. The banks, of course, would have to be reimbursed for their bookkeeping costs in connection with the new checking accounts. This could be done either through an interest charge on the original loan or by service charges on the individual accounts. All such charges would themselves be payable in the special deposit credits. It would be inconvenient, and expensive to the bank, to make many small payments by check but this could be avoided through the sale of cards by retailers with printed amounts to be punched out as goods are delivered to the holder of the card, in the same manner as restaurants now sell and punch out meal tickets. Payment for these cards would be in checks on the special deposits. The tendency toward general acceptability of the special deposit credits could be enhanced by their receipt from producers in part payment of taxes or in exchange for F.E.R.A. cash. Private business would then secure this cash directly.

The author states our chief task is to get production going along the lines of present demand rather than of past equipment. Every worker of every type tends either to consume the equivalent of what he produces, or to lend or give it to those who consume more through their own output. This is why we should never be afraid of production nor seek the absurdity of having more by producing less. The bee line to prosperity is production of consumer's goods, so let us make a forthright attack upon the problem, instead of seeking it through indirect methods of pump-priming such as the manipulation of money.

S. M. G.

"More and Better Customers - The Deane Plan" - Albert L. Deane
Sphere. December. 1800 words.

Since the nation needs more and better customers in its still-growing crisis, Mr. Deane has set forth a plan that would provide sufficient customers with adequate buying power to sustain industry and trade at full capacity under any and all circumstances. The process of the plan would likewise eliminate involuntary unemployment.

Business, in order to move, must be maintained by some determined level of purchasing power(consumers' demand) which would allow a more than adequate flux to insure sufficient reserve.

"Let us suppose a moving long-time average of weekly hours of employment,calculated at the close of each year for the previous 10 years. To do this we divide the actual man-hours in industry and trade by the number of employed workers, plus those persons seeking employment. Because this figure would represent the highest average level of employment,and therefore production, it would represent the highest possible turnover in the period averaged.A gauge termed Monthly Average is next needed to measure fluctuations. This necessitates calculating the average weekly hours of employment at the beginning of each month,for the previous month,to represent the level of current employment,and again, therefore, production.

"Whenever the Monthly Average (current employment) would indicate a fall below the long-time average it would be a plain fact that the flow of purchasing power had been obstructed. At this point we would supplement the incomes of all eligible workers, who represent, each month, the primary market for the country by an amount equal to 1% of the pay received from their employer, for each hour, or fraction thereof, to balance the exact flow obstruction.

"The Supplemental Compensation would evolve from the creation of a National Reserve Fund composed of taxation receipts from all employers to the amount of $1\frac{1}{4}$% of each employee's pay for each hour or fraction thereof, only when the individual was employed for more than the long-time average. Now since the Supplemental Compensation would call for no more than 1% of the rate of pay to each employee for one hour or a fraction thereof there would always be a differential, amounting to the remaining $\frac{1}{4}$ of 1% tax, in favor of the National Reserve Fund, in addition to the excess that would accrue because the tax would always be applied as a percentage of a higher basic pay (in good times) than the compensation (during 'sub-normal' times) on which payments of Supplemental Compensation would be based."

The excess fund would be used to give employment on preplanned public work to any worker in the country who was unable to find a place in private industry. Wages for this work would be set at approximately 20% less than the current wage scale for

labor in a given community. This would absolutely bring an end to involuntary unemployment.

The employer who would be taxed, as explained, when employment was above the long-time average, would likely tend to slow down to the normal, thus preventing a too rapid expansion of business activity.

Mr. Deane proposes his plan for those people who still believe in the profit system; who recognize in it the elements that have created the highest standard of living for our people and who do not believe that our problem is to adjust our economy as comfortably as possible to depression conditions.

A. Q. P.

"A Business With 659,000 Jobs" - Hubert Kelley
The American Magazine. December. 3200 words.

When the Civil Service Commission made its last report there were 659,000 examined and unexamined employees on the national payroll. One year ago there were 456,096 classified employees on the roll, but when the next report appears it will show a large increase in the unclassified section.

When the vast recovery projects were authorized by the Government, it would have taken months for competitive examinations to be given. Accordingly, the President, who was fighting against time, had to omit them.

Nevertheless, Dr. Arthur E. Morgan, director of the Tennessee Valley Authority, with the help of L.J. O'Rourke (director of research in the personnel administration of the United States Civil Service Commission), and his staff, examined 40,000 laborers and 5000 clerical workers with more exacting examinations than those given by Civil Service. The P.W.A. followed by asking lists of Civil Service men held in reserve as alternates and also by organizing their own board to examine applicants; then 5000 employees were selected for the Farm Credit Administration by competitive examination ordered by the President.

Our leading political scientists are urging that all of the new bureaus be put under Civil Service, but the politicians are equally ardent in sponsoring the old spoils system. To put all of these jobholders under the Civil Service system would be a gigantic task under the best conditions for there are 3500 different kinds of jobs to be disposed of.

Even under the Civil Service, there is little chance of outstanding ability being rewarded unless one has political influence; one is buried in his routine and must wait for those higher up to move on before an opening occurs. There is much dead timber blocking the way; they were examined years ago and have not been examined since to determine whether they have deteriorated or improved.

A war veteran with service-connected disabilities can win appointment to any classified position on a grade of 60, since he is entitled to a handicap of ten points in examination; so, if he makes the failing grade of 60 he receives 70. Upon receiving this passing grade, he is automatically placed at the head of the list, even above those who may have made 100 on the examination. "The problem of veterans is one thing; it should be dealt with generously. The problem of a business-like government is another; it should be dealt with scientifically."

Dr. Leonard D. White, professor of political science at the University of Chicago, and the most recently appointed member of the Civil Service Commission, has a plan which he hopes to put through. This is to choose 25 of the most intelligent young men and women now buried in the ranks of government offices and put them in a school for routine government workers in order that they may have a chance for careers in government service. Undoubtedly, there are many intelligent and ambitious employees who would welcome such a chance.

T. L. P.

"America is Coming of Age" - A. P. Giannini
Sphere. November. 1500 words.

A nation does not burst forth in full maturity, for progress is an evolution and all lines of human endeavor do not progress in unison. Mechanical progress took the lead in the earliest years of the twentieth century. Today, social and economic progress have come to the fore.

Progress presupposes some form of interdependence of the scientist, the inventor, and the economist. Had it not been mechanically possible to manufacture cables, there could have been no telegraph system. Had the gasoline refining processes been deferred, the aviation industry might not have passed beyond the experimentation of Darius Green. But wire cables, gasoline, radio tubes, and pneumatic tires are available, and the result is that our communication and transportation systems have made seven-league strides within the past three decades. There are other demands for modernization which have yet to be met, and the field of banking offers an interesting example.

Branch banking is the modern way of conducting a banking business. Just as improved communication and transportation have freed the mercantile establishment from geographical isolation, the bank has been similarly liberated - up to the point where legal restrictions preclude further advancement. Today these legal restrictions are being lifted. America is coming of age.

Branch banking's convenience to customers, its economies of operation, and its efficiency of function are as readily apparent in boom times as in depression. But the greatest advantage of branch banking - its stability in times of financial stress - appears most clearly in a period of financial adversity.

Following the National Bank Moratorium of 1933, the nation had 7.5% of its deposited funds tied up in closed or restricted banks, exclusive of funds in mutual savings banks. In California, the birthplace and the stronghold of American branch banking, less than 2% of the depositors' funds were so restricted. Thus, branch banking proves itself in times of financial stress.

Branch banking diversity permits the shifting of reserves to distressed areas when conditions warrant. Nation-wide branch banking, acting in cooperation with the Government and with such other national lending institutions, could have prevented the overproduction of crops - and the utilization of marginal land for ineffective production - simply by intelligent control of the nation's supply of agricultural credit.

When nation-wide branch banking is specifically permitted by law, this country will have passed another milepost in its economic progress. When nation-wide branch banking is an established fact, America will have come of age financially.

D. R. T.

"The Branch Banking Fallacy" - Charles F. Zimmerman
Sphere. December. 1600 words.

Non-resident banking control, however designed, which would largely wrest from the local people determination of their own individual and collective business affairs through impersonal handling of bank credit, would soon destroy those saving factors which have made many small communities really progressive. Unit banking gives these towns complete control over their own business affairs. The community banker holds a position of leadership which could never be filled under any other banking system. He helps to organize and invests his personal funds in local industries; he encourages civic improvements; he is a guiding spirit in every problem relating to the permanent well-being of the people.

Advocates of a permanent non-resident branch-banking system are, in fact, arrayed against the higher interests of the local communities. Hence, the merit of the claim that the unit bank and the unit banking system are the last outpost against the assailments of the local community by big business in the commercial field.

It is reasonable to expect that Congress at the next session will see various kinds of nostrums introduced for the benefit of our banking system. The single issue, important beyond all others, is that branch-banking privileges for national banks shall conform in the future as in the past to such branch-banking privileges as are granted by any state to its own state-chartered banks and trust companies.

A fine delineation of the gravity of this issue in America

is that by David Lawrence, who recently declared: "The very foundation of American life is the community. It is the duty, it is the obligation of good citizenship to assert the independence of every community and to emphasize its responsibility. Economic recovery in America will come only when we recover self-reliance and the will to self-government and when we have generated a nation-wide force built upon true community responsibility."

D. R. T.

"Farmers Where Are We Going?" - George A. Nelson*
Socialist Party of America. Pamphlet. 16 pp.

The so-called depression beginning in 1929 had begun for the farmer in 1920. Farm prices dropped, other prices - through monopoly control - remained high or went higher; loans merely increased the debt burden or else delayed the time of reckoning; the farm market became smaller internationally because war areas went into production, and nationally because of great unemployment.

There is not over-production of farm produce but under-consumption. In 1929 we were very short - upon the basis of human needs - in milk, butter, meat, and green vegetables. Furthermore, if every man had been able to buy one suit of clothes every two years we would have had to import cotton and wool.

The author offers the following suggestion: "The farmer desires security in the tenure of his farm, which serves as both his home and the means of his livelihood. To accomplish this end we propose use as the sole title to land. This will not affect the title of farmers who now farm their own land. Those farmers who wish to transfer title of their lands to the Government may obtain leases for land rent free on the basis of occupancy and use. They shall not be liable for any taxes except the crop tax to support the Government. This tax shall be collected in kind and never in cash. The requirement of occupancy under this provision shall not be applied to bona fide co-operatives or farmers who reside in communities. Plantations worked by share-croppers and day laborers are to be taken over by the public and farmed by individual farmers who have use leases or by co-operatives of working farmers."

The conclusion is that natural resources, banks, processing plants - in fact, practically all capital - should be publicly owned.

J. B. S.

BOOK REVIEWS

"America's Capacity to Consume" - Maurice Leven, Harold G. Moulton, and Clark Warburton
The Brookings Institution, Washington, D.C. 265 pp. $3.00

This volume shows the allocation of expenditures among major types of consumer's goods, the amount and character of American consumption as a whole, and the distribution of families by size of income. More important, perhaps, the study indicates the amount of income that is spent by these several income groups compared with the amount which is saved, and the bearing of this relation upon the division of the aggregate income as between spending and saving.

The authors have given their definition of national income as: "The net volume of goods and services produced by a nation within a given period--a year." Further, they include in their definition: "The value of foreign products accruing to Americans as net interest on foreign investments." Using this definition, the authors have shown the industrial sources of income. A striking fact disclosed is the declining importance of agriculture since the World War. The following tabulation shows the importance of the various industries as sources of national income in 1929:

Production of Goods and Services:-

Source of Income	Per Cent of Total Income
Agriculture	10.4
Mining	2.7
Manufacturing	24.0
Construction	4.2
Transportation & Communication	9.2
Trade	6.8
Banking	1.7
Government	8.4
Unclassified	22.6
Total	100.0%
Other sources, foreign investments	0.7%
Durable Consumer's goods	
Money returns (residential rent and non-business interest)	5.2
Imputed income (on owned homes and other durable goods in hands of consumers)	6.7
Grand Total	112.6

It is estimated that in 1929, 65.1% of the national income was received in the form of wages and salaries; 17.3% was the return to individual enterprises on owned capital as well as for labor; returns to investors and property holders amounted to 14.9% of total income; and corporate savings (additions to surplus) amounted to 2.7%.

Distribution of income by states in 1929 is also shown. The variation in per capita income by states is extremely wide. South Carolina, with a per capita income of $261 per year, is at the bottom of the list. New York and Delaware, with per capita incomes of $1365 and $1315, respectively, are at the top of the list.

Wide variance between the states in the per capita income of farm population is shown. Per capita farm income in 1929 ranged from $129 in South Carolina to $1246 in California. Variation in the estimated per capita income of the non-farm population was less wide, and that portion derived as income from occupations was still less variable. Per capita income from occupation of the non-farm population is shown to have ranged from $369 in South Carolina to $843 in New York State. Per capita income resulting from returns on investment and profits from sale of property varied much more widely.

Having disposed of the question of average incomes, the authors turn to a distribution of families according to the amount of income earned. The accuracy of their method of estimating the number of families at each income level is debatable. However, the complete absence of anything but fragmentary evidence of income distribution and the need for at least a rough picture of how families are distributed on the income scale seems to justify the use of data which only hints at income distribution. By using residential rents and home values as reported in the 1930 U. S. Census and by relating these to studies showing relationship of income to outlays for shelter, the authors have arrived at a very credible distribution of families by income groups for the year 1929. This distribution bears out previous estimates which were regarded by some as extreme. Almost 60% of the families in the country are shown to have had incomes under $2000 in 1929, their incomes in the aggregate accounting for less than 24% of the total national income in that year. On the other hand, 2.3% of the families had incomes of more than $10,000 and accounted in the aggregate for more than 23% of the total income. The 10% of families on the highest income scale received almost 46% of the national income.

The second part of the book is devoted to the disposition of family income. The proportions of income spent for the various necessities of life, for luxuries, and the proportion saved, are known to vary from income group to income group, and, therefore, the disposition of income is shown separately for each major income group. This section brings together the results of various budget studies, on the basis of which are estimated the proportion of family income spent by the various income

groups for each class of expenditure: food, home, attire, and "other living."

Many illuminating bar charts are shown in colors. Disposition of family income is well portrayed by a series of charts. Others might have been added showing the extent to which total expenditures for such classifications as food or attire are made by each of the various income groups. The figures for such charts are mentioned briefly in the text. For instance, it is stated that nearly half the total expenditures for "other living" are made by the upper 10% in income; half the total for attire by the upper 24%; half the total for shelter by the upper 20%; and half the total for food by the upper 36%. In addition, the 10% receiving the highest incomes saved 86% of the total savings. This particular arrangement of the data deserves more space, but no doubt attention will be paid to such an arrangement in forthcoming volumes.

Relegation of much of the statistical material, references to sources, and discussion of method, to appendices has lightened the text of the book considerably, and at the same time maintained its scholarly nature. This book deserves reading by those for whom the depression has raised the question: "What relationship does the distribution of income bear to business depressions?"

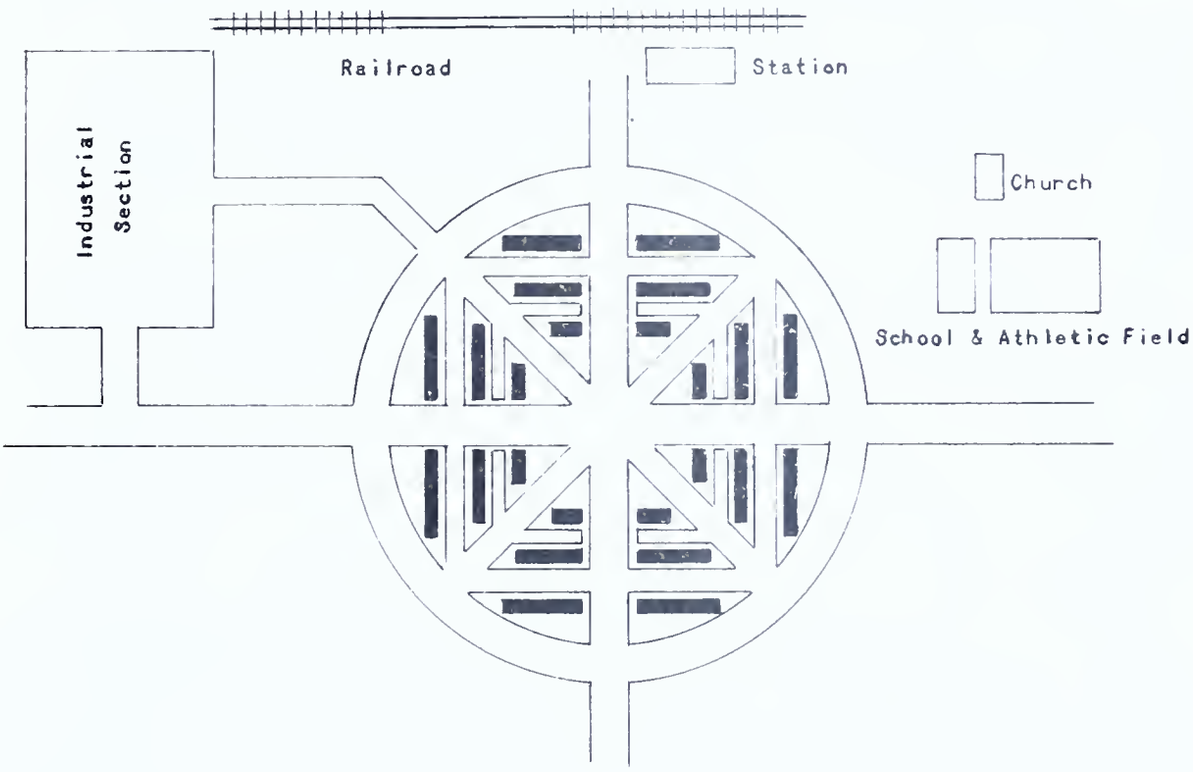
T. A. V.

"Radburn, A Plan of Living" - Robert B. Hudson
American Association of Adult Education, New York City.
118 pp. $1.25

Radburn, the planned town, is located in Fair Lawn, Bergen County, New Jersey. It is a demonstration in building better homes and communities, designed for salaried people with medium incomes, planned as to housing, as to space in which to live and as to safety. Not only have all these things been planned, but provision for them has been made under the laws of the State of New Jersey.

In making the physical plan, maximum usage of the land was first considered, with due thought and care being given to space, light, and air about the dwelling, and maximum convenience within the dwelling, all provided at a minimum cost. The town is laid out in super-blocks, a mile or more in circumference. The super-block consists of a central core of open park land rimmed by a public street devoted entirely to foot traffic or play, this being surrounded by a series of lanes, short streets devoted entirely to wheel traffic, closed at the interior end but connecting at the outer end with the wide highway that surrounds the whole super-block and that, again, devoted exclusively to wheel traffic. The houses are grouped around the lanes so that each house fronts upon two streets, one for wheel traffic and the other for foot traffic. The Radburn School is located in the northwest section

of the town. This gives a general idea of the layout:



The administrative plan was evolved after a thorough study of the best practices successfully employed in well-designed communities all over the United States. A set of protective restrictions was designed, not to hamper the owner in using his property to the best advantage but to assure the continuance of the harmonious plan now in existence. The local municipality has not been able as yet to supply certain services which are necessary to a well-planned community, such as sewage disposal, water supply,ash and garbage collection,street maintenance, lighting and cleaning, and the upkeep of large areas of parks,playgrounds,and recreation facilities. These were present from the outset at Radburn but, as the local tax rate is not sufficient, an annual charge is made to meet the cost and supplement the taxes.

A non-profit, non-stock corporation called "The Radburn Association", which was organized along the lines of the best modern practice in municipal government, has been designed to fix, collect,and disburse the annual charges,to maintain the necessary community services,park and recreational facilities,and to interpret and apply the restrictions. The Radburn Association is charged with the happiness of community living, and deals with problems concerning health, recreation, and education, for both children and adults.

The First Radburn Citizens' Association was formed within two months after the first family moved into town. This association served as an open forum for consideration and discussion of matters of common interest to the neighborhood. It has no public,

administrative, or executive functions. The citizens over the age of 21 years, living in Radburn and in the school district served by the Radburn School, are eligible for membership. The community plan is to center all neighborhood activities about the school, in the expectation that, as the community grows, later school districts will be formed and residents of the later districts will organize their own citizens'groups for the common interest of the neighborhoods served by those schools.

The basic group in this community used for the purposes of the study consisted of 336 families comprised of 646 adults. This is a strictly residential community, although a section is reserved by the planners for certain industries and commercial enterprises. The author gives a detailed description of the age, education, previous environment, and present occupations of the inhabitants of Radburn to emphasize the similarity in incomes and interests.

Various groups have been formed to sponsor all community activities. In the Educational Group the following semi-independent organizations operate: The Radburn Singers,The Radburn Players,The Friends of Music, The Garden Club,and Discussion Courses, which consist of Music Appreciation, International Affairs, Psychology in Everyday Life,Contemporary Literature,Home Decoration, Child Study, Millinery and Clothing Design,Nutrition,Economics of Health Practice, American Politics, Public Speaking,Forums,French Grammar, German Grammar,Arts and Crafts, Art Exhibits,Library,and French Literature.

Other bodies are the Recreational Group, which sponsors practically all of the forms of recreation indulged in by the people of today;the Citizenship Group, which serves as a connecting link between the Radburn Association staff and the community as a whole on any matters affecting the general welfare of the community, and fosters and promotes practically all the community activities;and the Religious Group, which carries on the social and religious functions of the Church in Radburn.

The aim of the planners of Radburn is to develop an ideal community life,on the assumption that most families of today want a home and recreational and cultural activities such as have been planned for and developed there.

A. N.

"The New Deal in Canada" - Major Eric Harris*
The Ryerson Press, Toronto. 139 pp.

Canada has a more acute problem of unemployment than the United States. Even though this condition is caused by similar forces, the solution of the present dilemma must be carried out on a different plan because the major factors of their economic

pattern are agriculture, mining, lumber, and other natural resources instead of manufacturing as is the case in this country.

This book is an independent presentation of a program that the author proposes for the general welfare of the people of the Dominion. To this program he has given the name, "Controlled Capitalism."

To cure existing ills, the author does not suggest uprooting the whole structure but prefers retaining what seems to be good in the present system and grafting onto it those practical measures of reform which promise some degree of remedy for the diseases which the system has developed. As an approach to his program for "Controlled Capitalism" the author advocates the realization of three fundamental points. First, taxation must be equitable and fair, based on the distribution of wealth and levied upon those who have ability to pay. It should also be used as an efficient instrument for redistributing the wealth within the country, while incidentally obtaining the revenue to carry on the necessary government services. Second, since the potential productive capacity is more than sufficient to care for the people's needs, capital goods will not be required, and therefore savings and concentrations of wealth need not be used to increase productive capacity. Consequently, this accumulated wealth can be taxed to a much greater extent than was advisable in the days when the building of productive plant capacity was essential. Money must therefore flow into consumers' goods instead of into capital goods. Third, one cause of the deflation was the curtailment of money circulation and credit by the banks, which caused the drop in the prices of goods and services, and resulted in complete stagnation of industry. The banks took this step to protect their own interests, but this produced serious results upon the masses of the people because it bankrupted industry and threw millions of workers out of employment.

The author suggests a new national policy, whereby the exports and imports of Canada will be under control, the importation of all non-essential goods will be stopped, and the export of surplus production will be carried on by Government barter and trade agreements with other countries. The purchasing power of the population must be increased, so that internal trade will be built up, and immigration must be encouraged. He also advocates a mild form of inflation to be effected by the adoption of the commodity dollar. The control of money and credit would permit debtors to discharge their debts with the same dollars with which the debts were contracted.

The proposed "New Deal" in Canada would further include the regulation of investment and of capital for the creation of more productive capacity, the regulation of stock exchanges, the diversion of wealth into consumption goods, and an effort to provide a sound money market in Canada to avoid paying interest to outside countries.

Agriculture is the backbone of the country,29% of the workers being on the farms and only 16% in manufacturing, according to the 1931 census. Agriculture should be helped by lowered tariffs on the supplies the farmer must buy, and a readjustment of taxation, so that the burden is borne by income instead of by land. The distribution of farm products must permit a greater share of the value to reach the farmer by the elimination of the middleman. Farm implements should be handled through Government control to give the farmer lowest prices. Scientific assistance should be given to the farmer through Federal control under regional organization.

Transportation presents another serious problem. Three transcontinental railroads have been built - one of them originally backed by the Government and now Government-owned. The decline in railroad revenues has been aggravated by the increasing tariffs which caused both import and export trade to fall off. The debt of the C.N.R., the Government-owned railroad which is a consolidation of two transcontinental lines, is greater than the total net debt of the entire country. The author advocates a revision of the capital structure of the Government-owned railroad and the establishment of an efficient operating system on the same basis as the privately-owned railroad.

The Province of Ontario has had public ownership of electric utilities for 25 years.This system has proved a distinct advantage in reducing the cost of service to the consumers; in extending electric service rapidly, systematically and economically to the most remote rural areas; and in planning the use of the water power resources of the province. The author suggests public ownership of other utilities, and also a Federal Public Ownership Commission to insure full benefits and avoid interference by politicians and private competitors.

In government,the author also suggests a greater separation between the legislative and administrative branches, the various positions in governmental departments to be administered under the Civil Service Commission to obtain increased business efficiency. In the legislative branch, he advocates an unicameral form of government by the abolition of the Senate in the Federal House of Parliament, the abolition of party politics, and the legislatures in the province and substitution of an Administrative organization only, this personnel to be subject to Civil Service also.

To carry out the program suggested, the author advocates the appointment of a permanent National Economic Council drawn from the ranks of business, finance, and labor, and also from among persons trained in the technique of economics and social science, who would make a thorough study of the problems facing the country and of the new policies recommended.

The book closes with a dissertation on the political parties of Canada and their basic differences, and reveals a growing tendency on the part of the many in the Conservative Party to

be more liberal and progressive in recent years. The author also points out that the so-called Liberal Party is only mildly liberal today, having failed to keep step with the times by advancing new liberal ideas to meet present day conditions. The new Co-operative Commonwealth Federation is too socialistic for Canada. Yet he feels that Canadians who desire adequate reform cannot align themselves with either the Conservative or Liberal Party under their present programs, but must wait until either party has a change of heart and embraces more liberal and socially-minded ideas.

H. G. M.

"Racial Contacts and Social Research: Papers Presented at the Twenty-eighth Annual Meeting of the American Sociological Society, Held at Philadelphia, Pennsylvania, December 27-30, 1933"
The University of Chicago Press, Chicago. 129 pp. $1.50

Of particular interest is the paper by Niles Carpenter of the University of Buffalo, - "Community Relations during the Depression, with Special Reference to the City of Buffalo." His primary observation is the shift from private to public support of social work. In comparing the relative shares of relief expenditures borne by the private financial federations and the public relief agencies in the fiscal year 1928-29 and again in 1931-32, he notes that the private agencies (Joint Charities and Community Fund, Catholic Charities, and Jewish Federation for Social Service) supplied slightly over 64% of relief funds in the former period but only 28% of the total relief of the community in the latter period. The amounts of expenditure increased 12.7% for the private agencies in the three years and 417.1% for the public agencies.

Accompanying this financial shift have been other changes. The public agencies, which formerly "confined themselves mainly to relief, often carried on in a routine and non-constructive manner," have taken over many activities formerly relegated to the private agencies, even including some non-relief social service activities such as recreational projects employing people on "work relief." There has also been a noticeable improvement in the grade of work done by public social agencies. Where, formerly, the functions of public social work had often been carried on by "individuals whose qualifications were little more than those of political acceptability," today a considerable proportion of trained workers have been taken over by the public agencies from the privately financed groups. This raising of the standards of public relief agencies is resulting in the molding of the entire group of professional social workers "into a single body, keenly conscious of a mutuality of interest and a unity of purpose."

All this has effected a change "in public thinking. The task of caring for the less fortunately circumstanced members of

the community . . . is no longer left to the generosity of a portion of the community contributing out of the surplus of its private income. Instead, it has become a definite charge on the resources of every member of the community through the medium of taxation." Taxpayers' associations have sprung up to protect relief funds from being squandered; "councils" of the unemployed have been organized to protest against the "inadequacy of relief allowances"; political parties have attempted to exploit the relief situation. All this has made the public "tend to look with critical eyes upon existing institutions, philosophies, and beliefs."

The result has been re-budgeting, re-valuation, reorganization, and social planning. "Standards of relief have been maintained; individuals and groups who would otherwise have gone unaided have been helped. The cheaper types of petty politics and the grosser forms of favoritism and inefficiency have been checked. On the other hand, local initiative has been suppressed; local leadership has been discouraged; the ability of the social-work group in Buffalo to function as a cohesive and responsible group has been weakened. One cannot help feeling that, for the next few years at least, the crippling effects of the super-imposition of centralized authority, planning, and administration upon the local community will continue to be felt." However, there has resulted from this crisis a highly desirable spirit of cooperation and a consolidation of interests encouraging mutual understanding on the part of different religious and racial groups, between bodies of business men and of social workers, and among leaders of groups whose interests coincided for the first time when they met for social planning.

G. R. W.

EXCERPTS FROM THE NEWS

The F.E.R.A., after a survey of 79 key cities, announces that there is at least one employable person in five sixths of the families on relief. Jobs have been held by 92% of those qualified as employable, while 66% of that group have worked five years or more at some occupation. There are 8% looking for jobs who have never worked before, mostly persons who have come of working age in the last few years. The 17% of families lacking a breadwinner are pictured as remaining more or less permanent charges, dependent on some form of relief. (- United States News, November 19)

Relief and recovery have cost the Government more than $7,500,000,000 to date, according to the Treasury Department. Of this total, 54¢ out of every dollar is listed as ultimately recoverable.
(- Philadelphia Record, November 28)

December relief grants for all states, excepting Indiana, New Mexico, and Wisconsin, total $131,946,805. (- United States News, December 3)

Fifty-six unemployed writers have been given work through a California State Emergency Relief Administration project at a pay-rate of 75¢ an hour, with hours of work ranging from 8 to 18 per week, depending on the needs of the individual. They are engaged in a "searching analysis and interpretation of the American scene," which includes many topics relating to relief and unemployment. (- New York Times, November 25)

A C.W.A. project, whereby 1000 men were employed in excavation and research work devoted to shedding more light on the history and life of the American Indian, has produced results far beyond the expectations of the Smithsonian Institution which supervised the study. Investigations were carried on in Florida, Georgia, North Carolina, Tennessee, and California.
(- Baltimore Sun, December 2)

The roving jobless in Florida this winter will be allowed to stay if they accept a job, according to Henry Redkey, the State director of transients for the F.E.R.A. Facilities now capable of taking care of 4000 persons will be enlarged as increasing demands are made upon them. Those who do not voluntarily register at a transient bureau will be asked to do so and then to take the job offered them. If they refuse, they will be considered vagrants and given a jail sentence which may lead to work in a State convict road camp. (- New York Times, November 25)

The P.W.A. construction program is aiding about 7,000,000 persons, - wage earners and those dependent on them. Actual employment is being given to some 2,000,000 persons. It is also announced that 85% of the approved non-federal projects are completed, under construction, or under contract for immediate construction. (- United States News, November 19)

The percentage of city populations on work relief, according to statistics gathered by the F.E.R.A. for the Literary Digest, show Birmingham, Alabama, has the highest proportion in that category, or 37% of its citizens. Other figures in the key cities studied were as follows: Tampa, 31%; New York, 18.1%; Denver, 17%; Cleveland, 16.7%; New Orleans, 16.2%; Baltimore, 15%; Indianapolis, 14.7%; Houston, 14.6%; Boston, 14.1%; Los Angeles, 14%; St. Louis, 13.2%; Chicago, 11.5%; Seattle, 11.1%; Detroit, 8.9%; Portland, Maine, 3%. (- Literary Digest, November 24)

A.F. of L. figures on unemployment for October indicate 500,000, or 30%, more persons were then out of work than last October, while part time employment was reported to be at a higher level than ever before. The Federation's figures on those employed do not include workers engaged in Government emergency projects, which employed 508,000 persons through P.W.A. schemes, 362,000 through the C.C.C., and a weekly average of 1,392,000 persons in F.E.R.A. jobs. (- United States News, December 3)

Employment and payrolls rose in October, according to a report issued by the Labor Department, the former by 280,000 workers, the latter by $11,300,000, compared with September totals. An increase over September of 3.9% in employment and 6.6% in payrolls in the building industry was partly attributable to Government housing activities. Figures from some 62,022 retail firms showed a 1.5% gain in employment and 2.6% increase in payrolls. New Hampshire led the 31 states reporting employment gains for October, with an increase amounting to 54.6%. (- Philadelphia Record, November 23)

Business conditions for this October as compared with last were improved in 31 states, including the District of Columbia. In five states there was no noticeable change; in 13 states, including Pennsylvania, there was a change for the worse. This report is based partially on the increase or decrease in the total amount of money paid by check, exclusive of such transactions in New York City, where they are looked upon as denoting financial rather than business operations. Another factor taken into account was a 10% increase in wholesale prices during the year, which reduces the purchasing price of the dollar by just that much.
(- United States News, December 3)

An upturn in business conditions for November is reported by the Chamber of Commerce of the United States, which sees this improvement reflected in the following trends: "Payments by check (regarded as a broad gauge of national activity) running 6% over the level of last year and 20% over the year before; retail sales keeping a steady course with signs of stability in prices favoring increased volume; stability in wholesale prices suggesting a leveling off in production and distribution costs; carloadings showing less than seasonal decline; demand for electric power proceeding at a rate not equalled in November since 1930; an overcoming of some of the earlier lags in production; steel production advancing to a level better than the corresponding part of any year since 1931; textile industries regaining ground lost through last September's general strike; building trades stimulated by the Federal housing program." (- Baltimore Sun, November 24)

The N.R.A. is considering ways and means to buy up the [illegible] workshops throughout the nation to prevent market competition [illegible] goods and those turned out by private industries. It is estimated [illegible] a transaction would involve approximately $14,000,000.

(- Baltimore Sun, December [illegible])

Decentralization of the N.R.A. field force is now underway. The [illegible] 10 regional offices, being established under the direction [illegible] blatt, Director of Field Administration, which will supervise [illegible] tivities in their particular area. Under this new plan, [illegible] state and local compliance offices are to be continued, but [illegible] are unable to adjust a case they are to report to appropriate regional director for final action, instead of to Washington; (2) the regional director will either settle the case or turn it over to a Regional Council of three, one representing industry, another labor, and the third, the chairman, an attorney on the staff of the Litigation Division of N.R.A.; (3) in the regional director's office there will be an N.R.A. litigation specialist who will be responsible, in conjunction with the local district attorney, for immediate action on complaints which the Regional Council may refer for active prosecution."

(- United States News, December [illegible])

N.R.A. minimum wages for women are from 6% to 30% lower in one fourth of the codes than the wage scale for men, reports the Women's Bureau of the Department of Labor. It was estimated that in 1929 more than 300,000 women were engaged in 42 of the 135 industries which now have codes containing sex differentiations.

(- United States News, December [illegible])

A conference on world recovery is to take place in Paris next June. The four vital topics to be considered being stabilization of relations between currencies, the revival of international trade and the movement of money, the organization of production and marketing, and international transportation problems.

(- Christian Science Monitor, December [illegible])

An analysis of housing conditions based on a Government-[illegible] survey shows there are at present approximately 16,000,000 [illegible] the nation in need of repair, of which number some 5,000,000 should be [illegible], according to the Standard Statistics Company. The replacement [illegible] repair work that only the partial remedying of these conditions could [illegible] during the next five years would necessitate the expenditure of [illegible] twelve billion dollars.

(- Philadelphia Evening Bulletin, December 1)

The Federal housing program has already resulted in $100,000,000 [illegible] repair and renovation business throughout the country, declares [illegible], publicity director of the Federal Housing Administration. A survey of [illegible] cities indicates a 50% increase in dollar volume in this type of [illegible] for the past 30 days as compared with the corresponding period last year.

(- Philadelphia Record, December [illegible])

The P.W.A. program provided 63% of all types of construction contracts let in this country in September, according to the F. W. Dodge Corporation, construction statisticians. However, the volume of publicly financed work for the first nine months of 1934 is 2-1/2 times greater than that for the first nine months of last year, while the total awards are 60% greater than in 1933 and amount to $1,203,952,100. (- American City, November)

Individual rehabilitation was provided last year for 135 disabled persons in Mississippi, - 102 of them men and 33 of them women. This work was done by the Department of Civilian Rehabilitation, which trained and placed 79 of the cases through college training and 35 through employment training. These persons are working in 37 different types of employment and are already earning, the first year after placement, more than three times the amount of money spent on their rehabilitation.
(- School Life, November)

Emergency vocational agricultural training was supplied to almost 5000 Californians last year by local high schools, according to the California State Department of Education. (- School Life, November)

The emergency educational program now involves an expenditure of $3,500,000 a month,which sum includes funds appropriated to aid needy college students. Emergency nursery schools, which last year cared for approximately 65,000 children in some 3000 units, are functioning again this year. More than 30 states are now engaged in parent-education activities sponsored by the F.E.R.A. (- School Life, November)

Full-time employment has been found by 252, or 66%, of the 380 students who graduated last June from Simmons College, Boston, while another 6% are employed in part time or temporary jobs. Only 68 girls, or 18%, are classed as unemployed, and these include those who have married and others doing voluntary scientific research work. Ten percent of the 1934 class are continuing their studies. (- New York Times, December 2)

Federal emergency loans outstanding now total $6,946,069,897. Of this amount, public and private borrowers owe $2,715,901,691 to the Farm Credit Administration, $2,000,000,000 to the H.O.L.C., $1,280,168,206 to the Reconstruction Finance Corporation, $750,000,000 to the Public Works Administration, and $200,000,000 to the Commodity Credit Corporation. The interest on these loans ranges from 4% to 6% and the terms given are from six months to thirty years. These figures do not include relief expenditures, classed by the Government as "irrecoverable loans," or money spent on strictly Federal projects instituted to create employment.
(- Baltimore Sun, November 26)

Mexico's "New Deal" program, to be launched by President Lazaro Cardenas, is a six-year plan promising laborers higher wages and better working conditions, distributing land to the country's impoverished farmers, and providing free, compulsory education for all children.
(- New York Times, December 2)

"IN MY OPINION".....

"Grover Cleveland, in vetoing a pension bill, once said that it was the duty of the citizen to support the State and not the duty of the State to support the citizen. When we reverse that philosophy, as we are now doing under the coercion of a compelling necessity, we encounter a whole train of ills." (Newton D. Baker in "Decay of Self Reliance" - December Atlantic Monthly)

"What has been done since March, 1933, should be judged on its merits and no attempt should be made to blanket it under an indictment drawn so as to impress the unthinking - a general indictment that what has been done does not jibe with the promises of candidates and party." (Lindsay Rogers in "Hints to New Deal Critics" - December Current History)

"In a tour of 7,000 miles through the United States this year, one gets the impression that the political and economic thinking of the people has shifted distinctly to the Left, but not nearly so much as the Extreme Right fears and Extreme Left hopes. . . Nowhere is a people's mechanical genius so vividly in conflict with its politics as with us." (Clarence K. Streit in "An Inquiry into the Nation's Thoughts" in New York Times Magazine of December 3)

"It will not do us a particle of good to assume that the bankers and speculators are trying to suck our life blood and that, therefore we should destroy them and their works. In this direction lies either futility or a revolution which will destroy many, but which will build up another system with probably even greater abuses." (Secretary of Agriculture Henry A. Wallace in "New Frontiers")

"Congress can write our legal statutes, but business and industry will continue to write the people's meal tickets. Legislation cannot repeal the law of supply and demand or the law of the survival of the fittest." (J. H. Van Deventer in The Iron Age for November 15)

"Under the conditions which we face it is clear that one of two things must happen. Either the leaders of industry and business must be trained on broader lines so that they can, and will, generalize in the fields of sociology and government, or their business will be taken out of their hands, for it is inconceivable that with the rapid changes which are certain to take place during the next generation the people of this country will allow their lives to remain at the mercy of a group of specialists who are largely unconscious of their existence." (Philip Cabot in article, "Industry and Government," in the December Atlantic Monthly)

AUTHORS

Mary E. Hurlbutt, M. A., author of "The Rise of Social Work" in the November Annals of The American Academy of Political and Social Science, is instructor in historical background of social work and in immigration problems at the New York School of Social Work. She was formerly International Director of the International Migration Service.

Frank D. Graham, who wrote "The B Line to Recovery" in the November Mid-Monthly Survey, is professor of Economics at Princeton University. He has been a member of the Federal Farm Board, and in 1931-32 was Professor of International Economics, Institut de Hautes Etudes Internationales, Geneva, Switzerland.

Major Eric Harris, the author of "The New Deal in Canada," is the manager of an industry in Sarnia, Ontario, employing several hundred men. His education was acquired in the Arts Course at the conservative Trinity College of the University of Toronto. He served overseas with the Canadian Field Artillery and with the Canadian Corps Headquarters in France.

G. T. Hicks, who wrote "Educating for Tomorrow" in the November Education, is the head of the Department of Education, State Teachers College, Murray, Kentucky.

George A. Nelson, author of "Farmers Where Are We Going?" was the Socialist candidate for Governor of Wisconsin in 1934. He was the President of the Wisconsin Section of the American Society of Equity from 1922 to 1931 and is now the Secretary of the Polk County Farm Holiday Association.

Horatio B. Hackett, author of "Clearance of Slums by P.W.A." in the New York Times of October 21, is Director of the Housing Division of the Public Works Administration at Washington, D. C.

Arthur E. Morgan, who wrote "Education for a New Society" in the November Journal of the National Educational Association, is president of Antioch College, Yellow Springs, Ohio, and chairman of the T.V.A. As a civil engineer, he has been connected with numerous Government projects since 1907.

Barbara N. Armstrong, the author of "Plans for Old-Age Security Studied as a Leading Issue" in the New York Times of December 2nd, is a consultant on old age security for the President's Committee on Economic Security.

ANNOUNCEMENTS OF NEW BOOKS

Public Works of Art Project. Superintendent of Documents. U. S. Government Printing Office. Pamphlet. 89 pp.

Report of the Assistant Secretary of the Treasury to the F.E.R.A., covering the period from December 8, 1933 to June 30, 1934.

Economic Security by R. D. MacCuffin. Published by the author, Wynnewood, Pa. 72 pp. 35¢

How to cure the problems of the depression and prevent their recurrence.

Library Projects Under F.E.R.A. Part II of October, 1934, Bulletin of American Library Association, 520 North Michigan Ave., Chicago. 16 pp.

How and what is being done for libraries and librarians.

Work Relief in Germany by Hertha Kraus. Russell Sage Foundation, New York City. Pamphlet. 93 pp. 50¢

How Germany handles this problem.

City and County: A Study in Fundamental Economics by P. C. Armstrong and F. E. M. Robinson. Macmillan Company of Canada. 145 pp. $2.50

Showing the need of getting away from over-urbanization in this country.

Russia's Iron Age by W. H. Chamberlin. Little,Brown,and Company, Boston. 400 pp. $4.00

Another picture of Russia by a foreign correspondent, stationed there 12 years.

A Road to Opportunity by D. W. Pittman. Overland-Outwest Publishers, 502 H. W. Hillman Bldg., Los Angeles. 148 pp. $1.00

Economic planning.

Report of the State Board of Housing to Gov. Herbert H. Lehman and to the Legislature of the State of New York. Albany, New York. Legislative Document No. 41

First Year's Work of the U. S. Employment Service. U.S. Government Printing Office, Superintendent of Documents. (Pamphlet. Serial No. R 171) 6 pp.

Bibliography: List of Recent References on Unemployment Insurance amd Reserves. Library of Congress. (Mimeographed) 22 pp.

General Information About Self-Help Cooperatives, edited by the F.E.R.A. Superintendent of Documents, U. S. Government Printing Office. (Mimeographed) 8 pp.

American Democracy in Time of Crisis by E. E. Robinson. Stanford University Press. (Stanford Pamphlet No. 5) 90 pp. $1.50 (Paper, $1.00)

The National Recovery Program by James D. Magee and Willard E. Atkins.(Revised edition) F.S.Crofts & Co. Pamphlet. 81 pp. 75¢

A Handbook of N.R.A. by Lewis B. Mayers. Federal Codes,Inc., New York & Washington. 842 pp. $6.50

Administocracy: The Recovery Laws and Their Enforcement. Macmillan Company, New York City. 118 pp. 50¢

State Welfare Administration in New Jersey by Paul Tutt Stafford. Commerce Clearing House, Chicago. 136 pp.

Hours of Work and Recovery: Summary of Fact and Opinion by Eleanor Davis. Princeton University Press. Pamphlet. 52 pp.

Depression and Recovery by Yoder, Dale, and Davies. McGraw-Hill Book Co. 309 pp.

World Production and Prices, 1925-1933. Prepared by the League of Nations, Economics Intelligence Service. World Peace Foundation. 143 pp.

What Democracy Must Do To Be Saved by William E. Greenwalt. Published by the author, Denver, Colorado.

The Case for Socialism by Fred Henderson. (Revised edition) The Socialist Party, Chicago. Pamphlet. 146 pp. 25¢

The National Industrial Recovery Act by John F. Sullivan and others. The Socialist Party, Chicago. Pamphlet No. 1. 10¢

The New Deal: A Socialist Analysis by Norman Thomas. The Socialist Party. Pamphlet No. 3. 10¢

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The following books have been received and will be reviewed in later issues:

Government Rules Industry by Michael F. Gallagher. Oxford University Press, New York City.

America's Recovery Program by a group of authors. Oxford University Press, New York City.

Twenty Million Dollars Every Day by Otto Cullman. Published by the author, Chicago.

Banishing the Ghost of Unemployment by Isaac James Hoover. Meador Publishing Co., Boston.

Please mention THE UNEMPLOYMENT RELIEF DIGEST when ordering books and periodicals.

MISS ELEANOR WELLS,CATALOGUER,

119 EDUCATION BLDG.,

HARRISBURG, PA. 2 DT